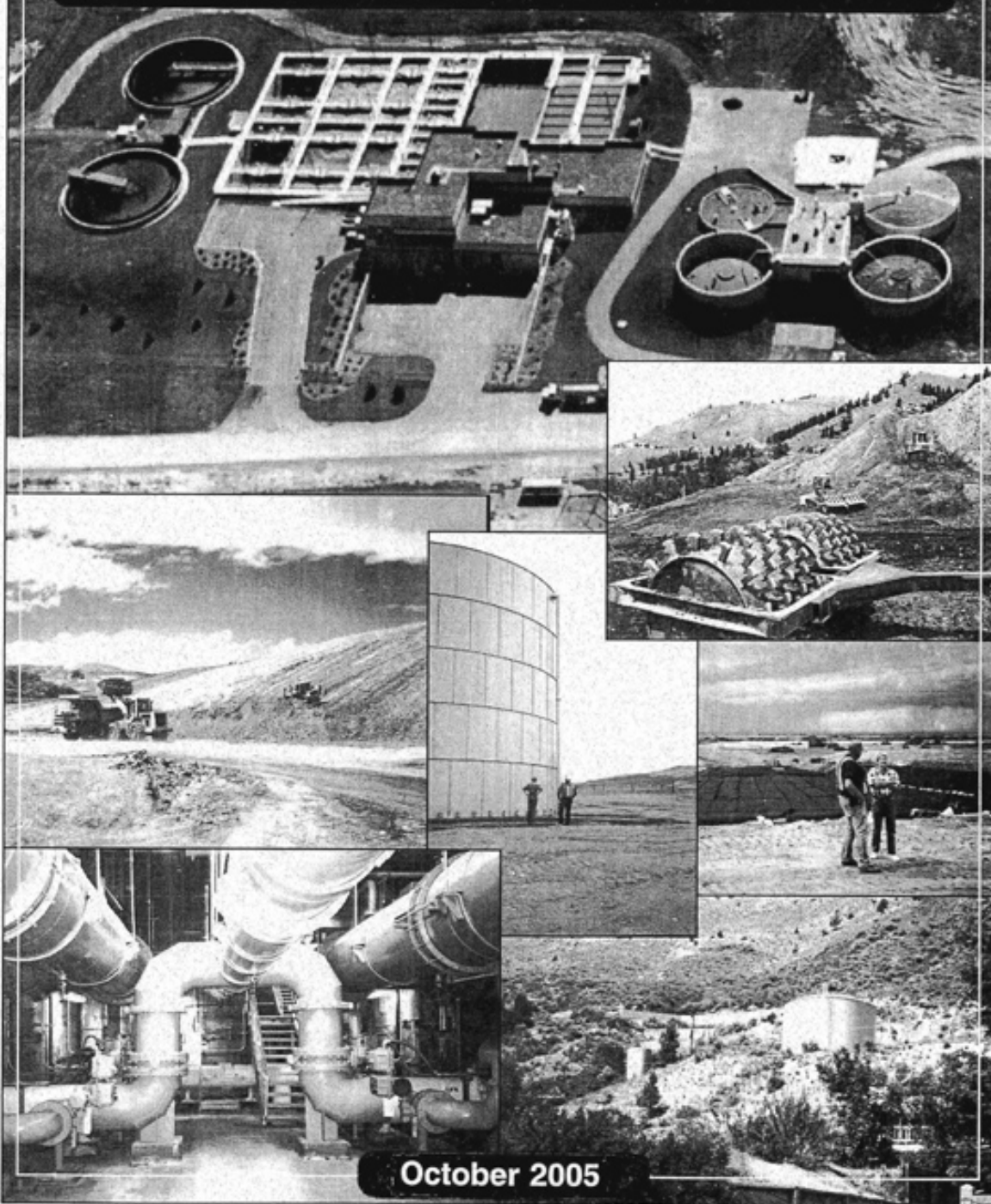


# *Uniform Application for Montana Public Facility Projects*



**October 2005**

Fifth Edition

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## INTRODUCTION

In 1995, the state and federal funding agencies that are members of the Water, Wastewater, and Solid Waste Action Coordinating Team (W2ASACT) adopted a common preliminary engineering report format that would be acceptable to each of the agencies that fund water, wastewater and solid waste projects in Montana. Due to the success of developing the common engineering format, and in response to recommendations made by local communities and technical assistance providers, some of the state agencies also adopted a common application summary form and environmental checklist that same year. In 1997, all of the state and federal funding agencies involved in W2ASACT worked together to complete the task by adopting a uniform publication that contains a common application form, environmental checklist and preliminary engineering report.

The Uniform Application for Montana Public Facility Projects contains the common forms, requirements, and checklists that must be submitted when applying for financial assistance to any of the six funding programs listed below. This application was developed to reduce the time, effort and expense that local governments incur when applying to multiple agencies for financial assistance. Once completed, the forms and checklists in this application can be copied and submitted to any of the six programs.

The following programs have adopted the application materials contained in this publication:

- Montana Board of Investments/INTERCAP Program
- Montana Department of Commerce/Community Development Block Grant (CDBG) Program
- Montana Department of Commerce/Treasure State Endowment Program (TSEP)
- Montana Department of Environmental Quality/State Revolving Fund (SRF) Loan Programs
- Montana Department of Natural Resources and Conservation/Renewable Resource Grant and Loan (RRGL) Program and State Revolving Fund (SRF) Loan Programs
- U.S. Department of Agriculture/Rural Development Programs

Each of these programs has a unique mission and individual program requirements. It is crucial for the applicant to contact each program to which a community may potentially apply to obtain the application guidelines specific to that program. While this publication contains the common forms, requirements, and checklists that are required when applying for financial assistance to any of the funding programs, there is additional application information that will be required by each of the programs.

While each program has specific public participation requirements, the funding programs have agreed that prior to the final adoption of the preliminary engineering report, at least one public meeting is required for all projects. The public meeting must be properly noticed (advertised) and the public must be provided with an opportunity at the meeting to comment on the project. Minutes of the meeting should reflect what was discussed about the project, including all comments received from the public. Refer to individual program descriptions or application guidelines for any additional hearing requirements. It is important for applicants to be aware of each funding program's requirements and include the public in the various stages of project development where necessary.

The forms, requirements, and checklists found in this publication are intended for applicants that are applying for funding of water, wastewater, and solid waste projects. However, some of the programs noted above may also require applicants to use these forms when applying for funding for other types of public facilities that are also funded by those programs.

It is important that applicants carefully complete the application materials since, if the required information is not provided, the application may be rejected or the agency to which the application is being submitted may be required to contact the applicant for additional information before the application can be processed. If information is missing and a "competitive" type of funding program (CDBG, RRGL, and TSEP) is reviewing the application, it could result in the application receiving fewer points and potentially not being funded.

• **Each program has deadlines when applications are due. Contact each program for specifics.**

Included in this publication is:

- Information about each funding program;
- The Uniform Application Form for Montana Public Facility Projects with instructions;
- The Uniform Preliminary Engineering Report for Montana Public Facility Projects with additional guidance; and
- The Uniform Environmental Checklist and related information about the environmental requirements.

The application materials provided in this publication are available on computer disk. This publication was formatted in Microsoft Word 2000. Some of the information requested in the application materials is presented in tables. These can be easily expanded when prepared on a computer. In addition, applicants using the computerized application materials can integrate information where appropriate rather than attaching separate sheets.

The agencies and programs listed in this publication do not discriminate on the basis of disability in admission to, access to, or operations of their programs, services, or activities. Individuals, who need aids or services for effective communications or other disability-related accommodations in the programs and services offered, are invited to make their needs and preferences known. Please provide as much advance notice as possible for requests.

If you need additional copies of this publication, a computer disk with the application and forms on it, or if you have any questions about the forms in this publication or about a particular program, contact one of the following programs:

Montana Board of Investments  
Bond Program Office

**INTERCAP**

2401 Colonial Drive, 3<sup>rd</sup> Floor  
PO Box 200126  
Helena, MT 59620-0126

Telephone: (406) 444-0001  
FAX: (406) 449-6579  
Web site: [www.investmentmt.com](http://www.investmentmt.com)

Montana Department of Commerce  
**Community Development Block Grant Program and  
Treasure State Endowment Program**

301 S Park Avenue  
PO Box 200523  
Helena, MT 59620-0523

Telephone: (406) 841-2770  
TDD: (406) 841-2702  
FAX: (406) 841-2771  
Web site: <http://comdev.mt.gov>

Montana Department of Environmental Quality  
**State Revolving Fund Loan Programs**

1520 E 6th Avenue  
PO Box 200901  
Helena, MT 59620-0901

Telephone: (406) 444-6697  
TDD: (406) 444-2544  
FAX: (406) 444-6836  
Web site: <http://deq.state.mt.us>

Montana Department of Natural Resources  
and Conservation  
**Renewable Resource Grant and Loan Program**

1625 11th Avenue  
PO Box 201601  
Helena, MT 59620-1601

Telephone: (406) 444-6668  
TDD: (406) 444-2074  
FAX: (406) 444-6721  
Web site: <http://dnrc.state.mt.us>

U.S. Department of Agriculture  
**Rural Development**

900 Technology Blvd, Suite B  
PO Box 850  
Bozeman, MT 59771

Telephone: (406) 585-2520  
FAX: (406) 585-2565  
E-mail: [mitchel.copp@mt.usda.gov](mailto:mitchel.copp@mt.usda.gov)

## COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

Montana's Community Development Block Grant (CDBG) Program is a federally-funded competitive grant program designed to help communities with their most critical community development needs. The program was established by Congress in 1974 and is administered nationally by the U.S. Department of Housing and Urban Development (HUD). Under an agreement with HUD, the Montana Department of Commerce (MDOC) administers the CDBG Program for local governments with populations less than 50,000.

**Under federal law, all CDBG projects must principally benefit low and moderate income persons.** In public facility projects, this is accomplished by making improvements to public facilities that serve communities or neighborhoods that are comprised of 51% or more low or moderate income families, or by providing services to low or moderate income people. Benefit to low and moderate income families can also be demonstrated by paying for the cost of water meter installation or for the hook-up charges or special assessments for eligible families.

### Eligible Projects

A wide variety of community development projects are eligible for grant funding. Montana's CDBG program is divided into three basic categories: 1. Economic Development, 2. Housing, and 3. Public Facilities. The Economic Development Category is administered by the Economic Development Division of MDOC. The Housing and Public Facilities categories are administered by MDOC's Community Development Division.

Public facilities projects can include community water, sewer, and solid waste systems. Projects can also include those designed to principally serve low and moderate income persons, including Head Start centers, mental health centers, centers for abused spouses or children, senior centers, and rural hospitals or nursing homes. The latter projects will require the application be accompanied by a Preliminary Architectural Report (PAR) to be eligible for consideration. A standard format for the PAR is provided in the CDBG Application Guidelines for Public Facility Grants.

### Eligible Applicants

By federal law, eligible applicants are limited to general purpose local governments under 50,000 population (incorporated towns and cities, and counties). Special purpose entities such as water or sewer districts are not eligible to apply directly. In these cases, a county or municipality must apply for CDBG funds on their behalf. Water or sewer users associations, because they are private non-governmental entities, and rural special improvements districts must first be established as county water or sewer districts (pursuant to Title 7, Chapter 13, Parts 22 and 23 MCA) before making an application for CDBG funds through a county government. If the application is funded, an interlocal agreement must also be executed between the local government and the special purpose agency or organization clarifying project responsibilities. In all cases, the local government applicant assumes ultimate responsibility for administration of the federal funds and compliance with all federal and state requirements.

### Hearing Requirements

The CDBG program requires two public hearings no more than 12 months prior to submitting the application, with the second hearing no more than 3 months prior to submitting the application. The first public hearing is intended to give citizens an opportunity to identify and discuss their community's overall community development and housing needs and priorities, and to propose possible community improvement projects to meet those needs before the local government makes a decision on what project or projects it will seek CDBG assistance for. The purpose of the second public hearing is to give citizens and potential beneficiaries of the proposed project, adequate opportunity to consider and comment on the potential benefits and cost of the proposed project, before the community submits the application. Applicants are encouraged to hold the second public hearing in conjunction with the public hearing required prior to the adoption of the PER.

### Funding Requirements

CDBG provides grants to local governments up to \$500,000. For the public facilities category, local governments must provide a match of at least 25% of the CDBG funds requested (not 25% of the total project cost). Local share of the project budget may be provided either by a direct cash contribution, or by incurring a loan or issuing bonds to be paid through user charges or property tax assessments. In-kind services (such as

land, labor or materials), debt incurred prior to grant application, or grants from other sources are not eligible to document the applicant's local share of project costs. CDBG will count documented local government expenditures for preliminary architectural design or engineering and grant application as part of the required 25% match. To be counted as match, such expenditures must be directly related to the CDBG application and cannot include "in-house" costs. Such expenditures must not have been made earlier than 24 months prior to the date of the CDBG application to be considered "eligible match." The match may be waived in cases of extreme financial hardship and where a serious public health or safety problem exists.

In the case of water, sewer, and solid waste projects, analysis of financial needs focuses on a community's projected water and sewer rates measured against the community's median household income and other economic factors. Projected water and sewer rates are compared to a target rate based on local median household income. Each applicant proposing to assist a water, wastewater or solid waste project must submit a funding strategy that would assure that projected user charges would, at a minimum, meet the target rate for the community for the public facility.

## **Funds Available**

Within the last several years, approximately \$8 million each year has been available to award for all three categories. The Department reserves one-third of the CDBG allocation for economic development projects. Of the balance of funds, approximately two-thirds are reserved for public facility projects, and one-third set aside for housing projects, based on historic demand. Typically, the request for CDBG housing and public facilities funds are about twice the amount available.

## **Application Ranking Process**

A ranking team is appointed from MDOC staff to review the applications submitted. The ranking team evaluates applications using the appropriate criteria and numerical point systems described in the CDBG application guidelines. The ranking team serves in an advisory capacity to the MDOC Director regarding the applications that should be considered for CDBG awards. MDOC provides for outside technical review of applications by other public or private agencies or professionals when necessary to assure adequate review. In making their evaluations the ranking team may seek the expertise of outside technical authorities, state or federal agency staff, or qualified professionals.

At the conclusion of the ranking process, written summaries of the ranking team's comments and conclusions and the recommended ranking scores are submitted to the MDOC Director. The Director makes the final decision on grant awards. Each local government can request a copy of the detailed written evaluation of the submitted application prepared by MDOC staff.

The CDBG Application Guidelines provide specific information about the program and all of its requirements. These guidelines are revised annually. It is important that potential applicants obtain a copy of the current Application Guidelines in order to be aware of program requirements.

## **INTERCAP PROGRAM**

The INTERCAP Program is a low cost, variable-rate Program that lends money to Montana local governments for a variety of purposes including water, wastewater, and solid waste projects. The Board of Investments' (BOI) Bond Program Office administers the Program. The BOI issues tax-exempt bonds and loans the proceeds to eligible borrowers. In addition to long-term financing, INTERCAP is an excellent source for interim financing.

### **Applicant Eligibility**

- Political subdivisions of state or local governments  
(i.e. cities/towns, counties, water and sewer district, solid waste districts, special and rural improvement districts)

### **Project Eligibility**

- Water, wastewater, and solid waste projects
- Preliminary engineering and grant writing work
- Interim financing
- New and used equipment of all kinds
- New and used vehicles of all kinds
- Energy retrofit projects
- 100% financing acceptable, equity or matching money not required

### **Funding Requirements**

- Variable rate loan program
- Interest rate changes each February 16
- No up-front costs
- Loan term – 10 years or useful life of the project, whichever is less
- Interest and principal payments due semi-annually on each February 15 and August 15
- Prepayment without penalty
- Rates and charges must be set to produce net revenues (revenues less operation expenditures) to cover debt service by a factor of 1.25 times
- A reserve account is required

### **Application Process**

- Money always available; no funding cycle
- Applications available via phone/fax/mail/e-mail/Board web site
- \$1,000,000 and under – considered and approved by Board staff
- Over \$1,000,000 – considered and approved by Board
- Funds released on an on-going basis as the project is completed

### **Typical Review Time**

- \$1,000,000 and under takes approximately four (4) weeks to receive funds from receipt of application
- Over \$1,000,000 takes approximately six (6) weeks to receive funds from receipt of application

### **Contact Information**

Montana Board of Investments  
Bond Program Office  
2401 Colonial Drive, 3<sup>rd</sup> Floor  
P.O. Box 200126  
Helena, MT 59620-0126  
Phone: (406) 444-0001  
Fax: (406) 449-6579  
Web site: <http://www.investmentmt.com>



## RENEWABLE RESOURCE GRANT AND LOAN PROGRAM

The Montana Legislature established the Renewable Resource Grant and Loan Program to enhance Montana's renewable resources. Administered by the Resource Development Bureau of the Montana Department of Natural Resources and Conservation (DNRC), the program provides both grant and loan funding for eligible renewable resource and public facility projects. The program is funded through interest accrued on the Resource Indemnity Trust Fund and the sale of Coal Severance Tax Bonds.

### Applicant Eligibility

**Grants and Loans to Governmental Entities:** Eligible applicants include political subdivisions of state or local government. These entities may include counties, cities, incorporated towns, conservation districts, water and/or sewer districts, school districts, irrigation districts, conservancy districts, joint boards of control, state agencies and state universities.

**Emergency Grants and Loans:** Emergency grants limited to \$30,000 per application and emergency loans limited by the applicant's debt capacity are available to governmental entities for projects that require immediate attention. Projects must meet the general eligibility requirements for the Renewable Resource Grant and Loan Program. Emergency funding is only awarded for projects that, if delayed, will result in substantial damage to public health or the environment or will result in legal liability.

**Project Planning Grants:** Project planning grants are available to governmental entities to offset costs associated with preparation of the Uniform Preliminary Engineering Report including the Uniform Environmental Checklist.

### Project Eligibility

Renewable resource and public facility projects including water, wastewater, and solid waste projects are eligible for grant and loan funding. Projects must enhance the common well-being of Montanans through the conservation, management, development, or protection of renewable resources.

Numerous public infrastructure projects for water, wastewater, and solid waste facilities have received funding through this program. Funding is available for preliminary engineering/design as well as construction of projects.

### Funding Limitations

**Grants:** DNRC limits grant funding recommendations to a maximum of \$100,000.

**Project Planning Grants:** Project Planning Grants are limited to \$10,000 or 50% of the cost of the planning study, whichever is less. A 50% out-of-pocket match is required, which cannot include other grant funds. Special consideration may be given for hardship applicants whose current combined water and sewer rates exceed twice the combined target rate.

**Loans:** Loans are normally limited only by the applicant's debt capacity. Interest rates vary with the Coal Severance Tax Bond market. Interest rate subsidies (decreases from the bond market rate) ranging from one to three percent for the first five years of the loan term are available based on proposed combined user rates. Loan terms are usually limited to 20 years.

### Application Instructions for Public Facility Projects

The Renewable Resource Grant and Loan Program accepts applications on or before May 15th of even numbered years. The application materials provided in the Uniform Application for Montana Public Facility Projects may be used to replace designated sections of the Renewable Resource Grant and Loan Program Application Guidelines and Forms for Governmental Entities. However, the guidelines contain sections that must be completed by all applicants in addition to this application.

Project Planning Grant applications may be submitted on an “open-cycle basis.” Applications will be reviewed and grant awards will be made in the order received by the DNRC. Applications for Project Planning Grants are available by contacting the DNRC at 444-6668; they are also available electronically on the DNRC website at [www.dnrc.state.mt.us/cardd/loangrnt.htm](http://www.dnrc.state.mt.us/cardd/loangrnt.htm).

## **RURAL DEVELOPMENT LOAN AND GRANT PROGRAM**

USDA/Rural Development (RD) administers water and wastewater loan and grant programs to improve the quality of life and promote economic development in Rural America.

### **Applicant Eligibility**

Loan and grant funds are available to public entities such as incorporated towns and cities, water and/or sewer districts, counties, Indian Tribes, and cooperatives. All applicants with a population of 10,000 or less are eligible with a priority given to those with a population of less than 5,500. Grant eligibility and loan interest rates are based on the community's median household income (MHI) and user rates. The census data obtained from the most recent decennial census is used to determine both population and income.

### **Project Eligibility**

Loan and grant funds may be used to develop, improve, or upgrade water, wastewater, solid waste disposal, and storm drain systems.

### **Application Process**

RD has an open application cycle so applications may be submitted for consideration any time during the year. Upon receipt of a complete application, RD can determine the amount of loan and grant eligibility and can establish the time line for availability of funding.

Contact us early in the planning process and we can provide assistance with your application.

### **Funding Considerations**

RD loan and grant funds may be used in combination with other funding sources such as TSEP, CDBG, and DNRC. Priority is given to projects that have funds committed from other funding sources.

The maximum loan term is 40 years or the useful life of the facility, which enhances affordability for low-income communities and provides flexibility for debt repayment.

RD does not have any loan origination fees and does not require a prepaid reserve account. The reserve, which is based on 110% coverage and collected monthly, may also be used for emergency system repairs or to replace short lived system components.

Please contact RD at 406-585-2520 and a program representative will meet with you to explain the program in detail and assist in the preparation of the application.

## STATE REVOLVING FUND LOAN PROGRAMS

The Montana Legislature established two State Revolving Fund (SRF) Loan Programs - one for water pollution control projects (wastewater and nonpoint source projects) and the other for drinking water projects. Both programs provide at or below market interest rate loans to eligible Montana entities. These programs are funded with capitalization grants from the U.S. Environmental Protection Agency and are matched with State issued general obligation bonds. Combined, these two sources of funds create the state revolving funds from which loans are made and borrower repayments revolve to provide loans for future infrastructure projects.

The Department of Environmental Quality (DEQ) is the administering agency and assures that the technical, financial, and programmatic requirements of the program are met. The Department of Natural Resources and Conservation (DNRC) issues the State's general obligation bonds and makes loans to the project borrowers. Cooperatively, DEQ and DNRC administer the State Revolving Fund Loan Programs.

### Applicant Eligibility

All entities planning to use SRF funding must contact the DEQ SRF Loan Program and request that their project(s) be added to the Water Pollution Control (WPC) or Drinking Water (DW) SRF Project Priority List and Intended Use Plan. This annual process begins in May to identify projects which may need SRF funding for their project in the upcoming year. Early notification by the applicant is essential to get on the priority list, and a project remains on the list until it has been completed regardless of the funding source(s) used to finance the project.

**Water Pollution Control SRF:** loans to municipalities (meaning any state agency, city, town, or other public body created pursuant to state law) to finance all or a portion of the treatment works project costs or to buy or refinance debt obligations of municipalities; loans to municipalities or private persons (meaning an individual, corporation, partnership, or other nongovernmental legal entity) to finance all or a portion of the costs of nonpoint source pollution control projects.

**Drinking Water SRF:** loans to municipalities, to public or private community water systems and nonprofit noncommunity water systems to finance infrastructure improvements, or loans to buy or refinance the debt obligation of a municipality.

### Project Eligibility

**Water Pollution Control SRF:** planning, design, construction and inspection of projects such as wastewater treatment plant improvements, interceptors, collectors, lagoon rehabilitation or construction, storm drains, land used for treatment purposes and non-point source pollution control projects (including certain solid waste management projects).

**Drinking Water SRF:** projects which facilitate compliance with the national primary and secondary drinking water regulations; further public health protection objectives of the federal act, including but not limited to projects that involve: upgrading and replacing infrastructure; addressing exceedances of the federal act or preventing future violations, consolidating water supplies, acquisition of land that is integral to the project, source water protection, planning and design.

### Funding Considerations

SRF loans are currently being made with an interest rate of 3.75% for 20 years. Some term and rate flexibility is available for disadvantaged communities and will be determined on a project basis. Loan amounts are limited to the borrower's ability to repay the loan, and by the SRF funds that are available for project financing. Interim financing at a 2.75% interest rate for up to 3 years is also available from both the WPC and DW programs.

## **Application Instructions for Public Facility Projects**

(This is separate from notifying DEQ to include an entity's project on the Intended Use Plans and Project Priority Lists)

Applicants submit the attached Uniform Application to request SRF loan funding. These applications are accepted year round and will be evaluated after the preliminary engineering report has been submitted to and reviewed by DEQ. Loan projects are subject to federal and state laws including environmental reviews, minority business requirements, prevailing wage rates, etc. Applicable facility planning with environmental assessment of the proposed project, plans and specifications, adequate construction management and proper startup and operation of the facilities are requirements of the program. After the application is evaluated and approved, funds can be committed to a project. The SRF loan program cooperates with the other funding programs to ensure project funding is available when it is needed.

## TREASURE STATE ENDOWMENT PROGRAM

The Treasure State Endowment Program (TSEP) is a State-funded grant program administered by the Montana Department of Commerce (MDOC), which provides financial assistance to local governments in order to construct or repair specific types of infrastructure.

### Eligible Applicants

Applicants eligible for TSEP assistance includes cities, towns, counties, consolidated governments, county or multi-county water, sewer, or solid waste districts, and tribal governments.

### Eligible Projects

Projects eligible for TSEP assistance include construction or repair of drinking water systems, wastewater treatment facilities, sanitary or storm sewer systems, solid waste disposal and separation systems, and bridges.

### Types of Financial Assistance

Grants are available for construction projects, preliminary engineering, and emergency situations.

- ❑ **Grants For Construction Projects** - One construction application may be submitted per biennial funding cycle. Applications are accepted by MDOC once every two years and are reviewed and approved by the Legislature. Applications are scored and ranked based upon seven criteria.

Applications are accepted in May of the year before the Legislature meets (even numbered years). **The next deadline for submitting an application to fund a construction project is May 5, 2006.** Current estimates are that approximately \$17 million will be available for construction grants in the next biennium.

The Department will be proposing to raise the maximum amount that can be requested for a matching grant from \$500,000 to \$750,000 per grant application. A dollar-for-dollar match is typically required. The matching funds can include grants from other state or federal programs. Eligible types of matching funds also include:

- ✓ Funds expended for engineering studies, reports, and plans, or other reasonable expenses expended for the preparation of the application, directly related to the proposed project during the period 24 months prior to the TSEP application deadline.
- ✓ Funds expended after the TSEP application deadline, but prior to passage of the bill by the Legislature and signing by the Governor, for project management, final engineering design, and other reasonable expenses necessary to prepare the project as proposed in the TSEP application for the construction phase.

In cases of extreme financial hardship and where the public's health or safety is seriously affected, an applicant may be eligible to receive a Hardship Grant from 51 percent up to 75 percent of the eligible project expenses. In addition, the amount of grant per benefited household is limited to \$7,500; however, the Department will be proposing to raise the limit to \$15,000. Both situations require that three conditions are met, and even then, a hardship request is not guaranteed and may not be concurred with. Applicants are strongly advised to contact the TSEP staff if a hardship grant is being contemplated, since such a request could adversely affect the scoring of the application if the Department does not agree that a hardship request has merit.

Of utmost importance, is that a construction grant is only recommended for water, wastewater and solid waste projects where the applicant's user rates are at or above a "target rate" based on the community's median household income (MHI).

Project expenses eligible to be reimbursed by TSEP funds include any reasonable and authorized expenses directly related to the eligible infrastructure project (incurred after a contract has been signed between the grantee and MDOC), such as:

- ✓ The planning, engineering and architectural design, construction, erection, acquisition, site or other improvements, alteration, modernization, reconstruction, improvement, or expansion of the project.
- ✓ The administration of the TSEP contract and management of the project, and financial expenses, such as

interest expense and bond issuance costs attributable to the project.

- ✓ Connection charges (hook-up fees and connection costs), water meters, and meter installation.
- ✓ Individual SID/RID property assessments.

- ❑ **Grants for Preliminary Engineering** - MDOC was appropriated \$600,000 to award for preliminary engineering studies during the 2007 biennium. Applicants may request up to \$15,000, and a local dollar-for-dollar match is required. These are non-competitive grants and are awarded to applicants that meet the basic eligibility requirements of the program. **Note: The funds appropriated for the 2007 biennium have all been awarded.** The Department will begin accepting applications for the next cycle of preliminary engineering grants in 2007.
- ❑ **Grants for Emergency Situations** - MDOC was appropriated \$100,000 to award for emergency situations during the 2007 biennium. Typically, a maximum of \$30,000 will be awarded. Local governments needing an emergency grant are expected to contribute all of their own financial resources that are reasonably available towards the emergency project. Requests are accepted at any time.

### Special Instructions for Applicants with Bridge Projects

Applicants with bridge projects should note that the TSEP Application Guidelines contain some additional requirements that are not contained in this publication. In particular, the preliminary engineering report will need to meet the requirements of a different report outline, which is presented in the TSEP Application Guidelines. In addition, Part E - System Data within the Uniform Application Form for Montana Public Facility Projects should not be completed for bridge applications. Instead, applicants will need to provide alternative information as described in the TSEP Application Guidelines.

The TSEP Application Guidelines provide detailed information about the program and all of its requirements. It is important that potential applicants obtain a copy of the guidelines in order to be aware of the requirements of the program and expectations of TSEP applicants. **The TSEP Application Guidelines describe other items that must be completed and submitted along with the Uniform Application.**

# **INSTRUCTIONS FOR COMPLETING THE UNIFORM APPLICATION FORM FOR MONTANA PUBLIC FACILITY PROJECTS**

The following instructions are to be used in completing the Uniform Application Form for Montana Public Facility Projects on pages 31 through 42.

## **SECTION A - CERTIFICATION**

The chief elected official or executive officer of the applicant must sign the application certifying that to the best of the official's knowledge and belief, the information provided in the application and the attached documents is true and correct. It is not necessary to submit a copy containing original signatures.

## **SECTION B - SUMMARY INFORMATION**

1. NAME OF APPLICANT(S): Enter the name(s), of the entity(s) submitting the application.
2. TYPE OF ENTITY: Enter the type of entity. (Refer to the program descriptions on pages 4 through 13 for the types of entities that are eligible for financial assistance.)
3. FEDERAL ID NUMBER: Enter the nine-digit Federal ID number for the entity.
4. TYPE OF PROJECT: Enter the type of public facility project, such as Water, Wastewater, Solid Waste, or Other (specify). (Refer to the program descriptions on pages 4 through 13 for the types of projects that are eligible for financial assistance.)
5. SENATE AND HOUSE DISTRICTS: Enter the senate and house district numbers that the entity is located within.
6. POPULATION SERVED BY PROJECT: Enter the number of people that reside within the boundaries served by the project.
7. NUMBER OF HOUSEHOLDS SERVED BY PROJECT: Enter the number of households within the area served by the project.
8. CHIEF ELECTED OFFICIAL OR AUTHORIZED REPRESENTATIVE: Enter the name and title of the chief elected official or authorized representative of the applicant. Enter the mailing address, business telephone and FAX number for the applicant.
9. PRIMARY ENTITY CONTACT PERSON: Provide the name, mailing address, business telephone and FAX number of the person within the community designated as the primary contact person for the project. This person should be knowledgeable about the project and be authorized to speak on behalf of the applicant regarding the application.
10. - 15. OTHER CONTACT PERSONS: If applicable and available, provide the name, mailing address, business telephone, FAX number, and email address for the persons listed for items 10. through 15.
16. BRIEF PROJECT SUMMARY: The project summary should briefly provide some historical information including: the age of the system; the date, type and cost of the last major improvements to the system; and whether there are any state administrative orders or other similar requirements to fix or modify the system. The project summary should also clearly state the specific problem(s) with the public facility and how the proposed project will solve the problem(s). The summary should clearly state what will be accomplished, such as number of leaky lines replaced, number of water meters installed, or number of contaminated wells or failed septic tanks taken out of service. The project summary should be brief and concise.



### EXAMPLE OF A COMPLETED PROJECT SUMMARY

**Historical Information** - The Town's water system was built in 1943. The last major improvements were in 1976, when the water treatment plant was built at a cost of \$750,000. The Montana Department of Environmental Quality issued an administrative order in May of 1996 to replace distribution lines and issued a boil order for ten days in June of 1996. In addition to the potential of the Town's drinking water becoming contaminated, the deficiencies listed below result in low water pressures, thereby creating a fire flow problem.

**Problem** - The Town's water system has the following deficiencies:

- undersized distribution lines;
- leaking distribution lines;
- dead-end distribution lines;
- limited well production; and
- no water meters.

**Proposed Solution** - The proposed project would:

- replace approximately 6,000 feet of existing distribution lines with eight inch lines,
- drill a new high volume well,
- install a meter on the original well, and
- install approximately 173 service meters for all users.

### SECTION C - FINANCIAL INFORMATION

1. **ESTIMATED TOTAL PROJECT COST:** Enter the estimated total cost for the project as documented in the preliminary engineering report. This should include all eligible project costs including any costs necessary to administer and finance the project
2. **PROPOSED FUNDING SOURCES:** Enter all **sources** of funds that you intend to use to finance the proposed project (e.g., federal and state funding programs, bank loans, bonds, cash reserves, etc.). Do not provide an amount that combines both the loan and grant. If both a loan and grant will be obtained from the same source, they must be listed separately. The sources of funds listed should equal the estimated total project cost. An example of a completed proposed funding sources summary is shown on page 16. The following box provides state and federal funding program abbreviations that can be used when listing the proposed funding sources:

#### ABBREVIATIONS OF STATE AND FEDERAL FUNDING PROGRAMS

**CDBG** - Community Development Block Grant Program  
**EDA** - Economic Development Administration  
**INTERCAP** - Board of Investments  
**RD** - Rural Development  
**RRGL** - Renewable Resource Grant and Loan Program  
**SRF** - State Revolving Fund Loan Programs  
**TSEP** - Treasure State Endowment Program

For each source of funding listed, indicate the **type** (grant, loan, contribution, or other) and **amount** of funds. If applying for a loan/grant combination, indicate whether the funding source has tentatively agreed to the amounts requested. Also indicate the **status of the commitment** of those funds to the project at the time of writing this application using one of the following choices:

- a. **No Contact** - No contact has yet been made with the funding source;
- b. **Discussed/Not Applied** - Project has been discussed with the funding source, but no application has been submitted. Briefly describe the discussion with the funding source and the likelihood of obtaining the funds;

- c. **Application Submitted** - An application has been submitted, but funding has not yet been awarded. Briefly describe status of application; or
- d. **Funds Committed (date)** - Funds have been committed by the funding source. Attach a copy of the commitment letter or other documentation verifying the commitment of funds.

Finally, if funds are to be borrowed, state the **loan rate and terms** likely to be required by the lender or bond underwriters (for example, interest rate, number of years to repay loan, and coverage and reserve requirements). Indicate whether the funding source has agreed or tentatively agreed to the terms.

The proposed funding sources table when completed on a computer can be expanded as needed to accommodate as many funding sources as necessary.

EXAMPLE OF A COMPLETED PROPOSED FUNDING SOURCES SUMMARY				
Source	Type of Fund	Amount	Status of Commitment	Loan Rates and Terms
CDBG	Grant	\$400,000	Discussed with CDBG program. Application will be submitted in May of 2004.	
TSEP	Grant	\$500,000	Application submitted May of 2004. Funding will be determined by the 2005 Legislature.	
RRGL	Grant	\$100,000	Funds committed by 2003 Legislature, see attached commitment letter.	
RD	Loan	\$1,200,000	Discussed with Mitch Copp in March, 2004. Tentatively agreed to the loan/grant amounts and terms, with final amounts to be determined when funds become available for this project in October of 2004.	4 1/2%, 40 years, 110% reserve requirement.  <i>(This is an example only; terms and rates may differ depending on the project and applicant.)</i>
RD	Grant	\$800,000	See comments above for RD loan.	

3. **FUNDING STRATEGY NARRATIVE:** Prepare a funding strategy narrative which discusses your proposed funding sources, and your past efforts to secure alternative or additional funds from other appropriate public and private sources to assist in financing the proposed project. The funding strategy narrative can be incorporated into the form if completed on a computer, or it should be addressed on separate sheets attached to this form. At a minimum, your funding strategy narrative should concisely answer each of the questions listed on page 34. Each question should be addressed individually. Some examples of the types of information to be included for each question in a completed funding strategy narrative are presented on page 17.

**EXAMPLES OF INFORMATION TO BE INCLUDED  
IN A COMPLETED FUNDING STRATEGY NARRATIVE**

**a. What are the conditions on the use of each source of funds?**

For each source of funds include: total amount, whether a grant or loan, the type of instrument used to obtain a loan (for example, revenue bond), rate and terms of the loan, specific conditions or other program requirements that would affect when funds would be obtained and used, ineligible expenses, etc.

**b. When will each source of funds listed be available (month and year)?**

For each source of funds provide any key dates that would affect when funds would be available, for example: when an application would be submitted, when funding would likely be approved, when the funds would likely be available to the applicant, whether interim funds are likely to be used, etc.

**c. Is there any additional information on the level of commitment for each source of funds listed?**

For each source of funds provide more detail regarding the level of commitment of funds, for example: application has been submitted but not approved, a letter is available from the funding agency indicating all paperwork is complete, a contract has been signed, or the local government is authorized to spend funds.

**d. How will funding sources be coordinated with each other?**

Explain how the funds from each of the funding sources listed will be coordinated, for example: timing of receipt of funds, use of funds for specific eligible activities, etc.

**e. Will interim-loan funds be required as part of the project? If yes, how will they be used and coordinated with other funding sources?**

Discuss whether interim financing will be required and how it will be coordinated with other funding for the project

**f. What other sources of funds from public and private sources have been considered for this project? Explain why they are not being pursued or used for this project.**

Any public or private funding source not listed as a proposed funding source should be discussed. For each funding source, explain the reason it is not being pursued or used, for example: not eligible through the program, applied for funding but denied, not appropriate for the type of project, etc.

**g. If a particular source of funding is not obtained, how will the applicant proceed? Explain how the funding strategy will change if each proposed funding source is not received.**

Discuss how the loss of a funding source would impact the continuance of the project. For instance, will the applicant wait and re-apply to the funding source, will the applicant be willing to increase the amount of debt it will incur, or will the project not move forward?

**h. What is the level of local financial participation in the project and is that level the maximum that the applicant can reasonably provide?**

Discuss the use of cash reserves, and discuss your projected monthly user fees given your proposed level of local financial participation. Include supporting information such as financial statements and target rate analysis.

4. **PROJECT BUDGET FORM:** Prepare a proposed project budget, which must include a breakdown of all major project costs, and a description of the sources and uses of all funds. The total budget of any proposed project should be designated as either "Administrative/Financial Costs" or "Activity Costs" (such as engineering or construction). Refer to the description of expenditure categories on page 19 that outline the different expenditures that may be part of the budget. When completed on a computer, the proposed project budget can be expanded as needed to accommodate as many funding sources or line items as necessary.

The applicant should ensure that each line item in the project budget is an eligible expenditure through each funding source indicated before submitting the budget. Each funding source has different requirements and may not allow particular expenditures to be used as matching funds or they may not be eligible for reimbursement.

The administrative/financial costs cover the costs of implementing a local project, including the cost of local government personnel involved with managing the project; the cost of the local project audit; and other contractual costs for professional services (such as hiring a project manager) that may be associated with administration of the program. It is recommended that applicants budget adequate resources for the final project audit.

Administrative/financial costs must be appropriate to ensure cost-effective management of the project being undertaken. Any proposed administrative/financial costs must be eligible, fully supported, and explained. Applicants, which propose to contract for project management assistance with a consultant or other entity, must specifically itemize this amount in the administrative budget and explain it.

Construction contingencies for public facility projects typically should not exceed ten percent of the estimated construction cost. If the amount budgeted for contingency is greater or lesser than ten percent, applicants are required to justify the reason.

Applicants that are applying to “competitive” type funding programs (CDBG, RRGL, TSEP), should be especially careful to verify all potential costs for carrying out the project are identified prior to submitting the application.

**The project budget form must be accompanied by a narrative justification for the specific proposed project construction activities and related administrative/financial costs. The cost estimates for each item in the proposed budget must be explained in the narrative. The budget narrative can be incorporated into the form if completed on a computer, or it should be addressed on separate sheets and attached to this form. An example of a completed budget narrative is presented on pages 21 and 22.**

## DESCRIPTION OF BUDGET EXPENDITURE CATEGORIES

(An example of a completed project budget is presented on page 20.)

### Administrative/Financial Costs

**Administrative Costs** - Appropriate costs for personnel, professional services to administer the project, office rent, office equipment, supplies, telephone, postage, travel, audit fees, legal costs including bond counsel, etc. These are costs incurred by the borrower in administering the project. (As applicable, specify each one as a separate line item.)

**Financial Costs** - Loan origination and administrative fees, debt service reserves, capitalized interest. (As applicable, specify each one as a separate line item.)

### Activity Costs

**Land Acquisition** - Cost of land purchase, easements, right-of-way, leases, etc.

**Preliminary Planning/Engineering** - Costs associated with, but not limited to, preparation of preliminary engineering report and environmental checklist. (As applicable, specify each one as a separate line item.)

**Engineering/Architectural Design** - Costs for preparing approved project plans and specifications.

**Construction Engineering Services** - Costs for providing professional inspection and construction engineering services to ensure that the project is constructed according to approved plans and specifications.

**Construction** - Costs for project construction according to approved plans and specifications.

**Contingency** - Construction contingencies for public facility projects typically should not exceed or be less than ten percent of the estimated construction cost. Any deviation must be adequately justified.

**EXAMPLE OF A COMPLETED PROJECT BUDGET**

Completed by: John Smith, Project Manager      For: Your Town, Montana      Date: 3/30/2005

ADMINISTRATIVE/ FINANCIAL COSTS	SOURCE: TSEP	SOURCE: RD Loan	SOURCE: RD Grant	SOURCE: City	TOTAL
Personnel Costs	\$5,000				\$5,000
Office Costs					0
Professional Services	10,000	\$10,000	\$10,000		30,000
Legal Costs		500	500		1,000
Audit Fees	1,000	1,000	1,000		3,000
Travel & Training	500				500
Loan Origination Fees					0
Loan Reserves					0
Interim Interest		40,000			40,000
Bond Counsel and Related Costs		10,000	10,000		20,000
TOTAL ADMINISTRATIVE/ FINANCIAL COSTS	\$16,500	\$61,500	\$21,500		\$99,500
ACTIVITY COSTS:					
Land Acquisition	\$20,000				\$20,000
Preliminary Engineering				\$10,000	10,000
Engineering/Archit. Design	60,000	\$20,000	\$20,000	40,000	140,000
Construction Engineering Services		40,000	40,000		80,000
Construction	300,000	400,000	400,000	200,000	1,300,000
Contingency	30,000	40,000	40,000	20,000	130,000
TOTAL ACTIVITY COSTS	\$410,000	\$500,000	\$500,000	\$270,000	\$1,680,000
TOTAL PROJECT COSTS	\$426,000	\$561,500	\$521,500	\$270,500	\$1,779,500

**EXAMPLE OF COMPLETED BUDGET NARRATIVE**  
**ADMINISTRATIVE/FINANCIAL COSTS**

**Personnel Services** **\$5,000**

This will be used to pay the City Clerk for time spent on the project, calculated at the current rate of pay plus fringe, over the 24 month project duration. Only services performed for the project, such as financial and project record keeping, that are beyond the normal duties of the position will be reimbursed under this budget item. Detailed time logs outlining specific tasks performed will be provided. Funds for this budget item will be provided by the TSEP grant since it is not RD eligible.

**Professional Services** **\$30,000**

The City plans to procure the services of a project administrator to ensure that the project is implemented in accordance with TSEP and RD requirements. Funds for this budget item will be split between the TSEP grant and RD loan. These services will supplement the services provided by the City Clerk.

**Legal Costs** **\$1,000**

This amount will be used for legal fees related to the review of contracts, bid specifications and any other legal services associated with the land purchase and easement acquisition. Funds for this budget item will be provided from the RD loan.

**Audit Fees** **\$3,000**

\$3,000 is budgeted to meet the portion of the organizational audit that can be attributed to the project, in accordance with the State Single-Audit Act. Funds for this budget item will be split between the TSEP grant and RD loan.

**Travel & Training** **\$500**

Cost to attend the TSEP project administration training workshop and meetings related to the project.

**Interim Interest** **\$40,000**

This amount has been budgeted to cover the interest that will be paid on an INTERCAP interim loan that will be required because of RD funding. Funds for this budget item will be provided from the RD loan.

**Bond Counsel and Related Costs** **\$20,000**

\$20,000 has been budgeted for the costs of bond counsel and issuance, which includes assistance from a financial advisor, bond counsel, bond printing, and registrar fees. Funds for this budget item will be provided from the RD loan.

**TOTAL ADMINISTRATIVE/FINANCIAL COSTS** **\$99,000**

Administrative/Financial costs represent five percent of the total project costs.

**(Example continued on next page)**

### ACTIVITY COSTS

<b>Land Acquisition</b>	<b>\$20,000</b>
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Three easements are expected to be required at a total estimated cost of \$4,500. The remaining \$15,500 is the estimated cost to purchase the land for the site of the water treatment plant. The amount budgeted is for the actual acquisition itself. A separate amount is budgeted under the legal line item for legal services related to the acquisition. The amount budgeted for land acquisition will come from the TSEP grant since RD funds will not be available until the construction phase.

<b>Preliminary Engineering</b>	<b>\$10,000</b>
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The City incurred this amount in the preparation of the preliminary engineering report. This is an eligible source of match funds for the TSEP program.

<b>Engineering/Architectural Design</b>	<b>\$140,000</b>
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Based on the engineering cost estimates in the preliminary engineering report, the total cost of preparing the final design is estimated at \$140,000. The amount budgeted for final engineering design will primarily come from the City and the TSEP grant since RD funds will not be available until the construction phase.

<b>Construction Engineering Services</b>	<b>\$80,000</b>
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Based on the engineering cost estimates in the preliminary engineering report, the total cost of construction inspection is estimated at \$80,000.

<b>Construction</b>	<b>\$1,300,000</b>
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Based on the engineering cost estimates in the preliminary engineering report, the total cost of constructing a water treatment plant is estimated at \$1,300,000.

<b>Contingency</b>	<b>\$130,000</b>
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Contingency funds are slightly less than ten percent of the total construction costs, because the project is well defined and is not likely to result in any unforeseen costs.

<b>TOTAL ACTIVITY COSTS</b>	<b>\$1,680,000</b>
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<b>TOTAL PROJECT COSTS</b>	<b>\$1,779,500</b>
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5. CURRENT DEBT: Enter the current debt obligations of the applicant. If the applicant is a water, wastewater, solid waste, or other "enterprise" type system, which relies on rates and charges for its financial support, only debt related to that system need be entered. If the applicant is a city, county, or district that relies on general taxing authority for its financial support, or is a not-for-profit organization, debt related to the general obligations of the city, county, district, or not-for-profit organization should be entered. The table when completed on a computer can be expanded as needed to accommodate as many current debt obligations as necessary.



### EXAMPLE OF A COMPLETED CURRENT DEBT SUMMARY

Year Issued	Purpose	Type of Bond/ Security	Amount	Maturity Date (mo/yr)	Debt Holder	Coverage Requirement	Annual Payment Amount	Outstanding Balance
1991	Water System	Revenue Bond	\$2,500,000	8/2031	FmHA	110%	\$150,716	\$2,368,526
1982	Sewer System	Revenue Bond	\$500,000	6/2002	D.A. Davidson	125%	\$36,790	\$164,177

6. **CURRENT ASSETS:** List all current assets including cash, investments, certificates of deposit, accounts receivable, and any other current assets not specifically indicated. Indicate whether assets are obligated for a specific purpose and what that purpose is (i.e., Certificate of Deposit, \$100,000 - reserve requirement for SRF loan; Investments, \$200,000 - \$100,000 of it is needed to purchase line inspection equipment in 2005).
7. **BALANCE SHEET:** **(Submit if applying to RD; contact the other programs to determine if or when this information is needed.)** Submit a balance sheet for the current year and previous year of operation of the system. (Applicants may submit this information using their own format, or they may complete the form that is provided on page 43.)
8. **INCOME AND EXPENSE STATEMENT:** **(Submit if applying to RD; contact the other programs to determine if or when this information is needed.)** Submit income and expense statements for the past three years of operation of the system, and a pro forma income and expense statement for the first full year of operation after construction. Provide the assumptions made in developing the pro forma income and expense statement. (Applicants may submit this information using their own format, or they may complete the form that is provided on page 44.)

### **SECTION D - CENSUS INFORMATION (Do not complete this section.)**

The information in this section will be completed by the receiving agency using data supplied by the U.S. Bureau of the Census and the U.S. Department of Housing and Urban Development based on Census data.

### **SECTION E - SYSTEM INFORMATION**

The system information is required in order for the W2ASACT funding agencies to evaluate financial need in a consistent manner. It is not expected that the methodology used to compute this information will also be used by the owners of the system to compute actual user rates. Nor is it expected of engineers to use this methodology in the preliminary engineering report to discuss the proposed funding strategy and resultant user costs.

**Number of unimproved properties in jurisdiction:** \_\_\_\_\_

**Complete and attach the System Information Worksheet** beginning on page 38 to display the calculations and assumptions used to compute items listed below that are denoted with an "•". A letter will be provided in parenthesis, which denotes the location in the worksheet to find the figure to be inserted. The worksheet is used to compute the number of equivalent dwelling units (EDU) and the projected average monthly residential rate. The number of EDU's will need to be computed even if the applicant is not currently served by a central water system. For more information about EDU's and on completing the worksheet, see pages 25 through 30.

1. **TOTAL SYSTEM ANNUAL REVENUE:** Enter the total annual revenue received by the system for the last fiscal year, and the projected amount for the first year of operation after the project is completed.
2. **TOTAL ANNUAL OPERATION AND MAINTENANCE COSTS:** Enter the total annual operation and maintenance costs for the system for the last fiscal year, and the projected amount for the first year of operation after the project is completed.

3. **TOTAL EQUIVALENT DWELLING UNITS:** ➤ If the application is for a water or wastewater project, enter the total number of EDU's that are currently served by the system. This figure is found on line (e) of the worksheet. Also enter the total number of EDU's that are projected to be served by the system once the project is completed. This figure is found on line (k) of the worksheet.

If the application is for a solid waste project, enter both the current and projected total number of solid waste customers.

4. **TOTAL RESIDENTIAL EQUIVALENT DWELLING UNITS:** ➤ If the application is for a water or wastewater project, enter the number of EDU's that currently serve residential households (*commercial and industrial service connections should not be included in this figure*). This figure is found on line (f) of the worksheet. Also enter the total number of residential EDU's that are projected to be served by the system once the project is completed. This figure is found on line (m) of the worksheet.

If the application is for a solid waste project, enter the current and projected number of residential households served by the solid waste system.

5. **ANNUAL REVENUE FROM RESIDENTIAL HOOKUPS/CUSTOMERS:** Enter the amount of annual revenue received from residential hookups/customers. (*Show the calculations used to determine this amount. Depending on the manner in which financial records are kept, it may be as simple as copying a number from a system document, or it may be necessary to calculate the amount. One method could entail determining the average usage of individual residences, calculating an average residential rate using the system's rate tables, and then multiplying the average residential rate times the number of residential hookups/customers.*) Also enter the projected amount of annual revenue to be received from residential hookups/customers for the first year of operation after the project is completed.

6. **PERCENT OF TOTAL ANNUAL REVENUE FROM RESIDENTIAL HOOKUPS/CUSTOMERS:** Calculate the percent of total revenues derived from residential hookups/customers. (Divide the amount on Line 5 by the amount on Line 1 and multiply by 100.) Also enter the projected percent of total revenues derived from residential hookups/customers, if that percentage is expected to change.

7. **AVERAGE MONTHLY RESIDENTIAL RATE:**

**Current Rate:** Enter the current average monthly rate charged to residential hookups/customers. (Divide the amount on Line 5 by the amount on Line 4 and divide the result by 12.) If the current rate is a flat rate charged to every residential hookup, enter that amount and check the box

**Projected Rate:** ➤ Enter the projected average monthly rate that will be charged to residential hookups/customers after the proposed project is complete. This figure is found on line (w) of the worksheet. The projected rate includes the current rate plus increases that are expected to be necessary to retire any debt to be incurred to finance the project plus any increases in operating costs. Applicants should assume that all requested and/or uncommitted funds would be received.

If residential hookups will be charged a flat user fee, enter the figure from line (x).

8. **OTHER SYSTEM CURRENT AVERAGE MONTHLY RESIDENTIAL RATE:** If this is an application for a water system project, enter the current average monthly wastewater system rate charged to residential hookups using the same methodology provided above.

----- OR -----

If this is an application for a wastewater system project, enter the current average monthly water system rate charged to residential hookups using the same methodology provided above.

Also enter the projected average monthly rate for the other system if that rate is expected to change. If the rate is to stay the same, enter the same amount as the current rate. If the rate is expected to change, provide details explaining the change and when the rate change is expected to occur.

If there is no other public water or wastewater system, enter "no other system."

If this application is for a solid waste system project, leave blank.

**INSTRUCTIONS FOR COMPLETING  
THE SYSTEM INFORMATION WORKSHEET**

**SUBSECTION 1 – EQUIVALENT DWELLING UNIT COMPUTATION**

The Equivalent Dwelling Unit (EDU) computation is required in order for the W2ASACT funding agencies to evaluate financial need in a consistent manner. Some systems may have unusual circumstances that make it difficult to accurately perform the computation the way it is required. In these situations, engineers are encouraged to discuss the problem with a funding agency in order to determine how to proceed. Depending on the circumstances, some modification of the computation may be allowed.

Engineers may also be familiar with alternative types of computations that will achieve the same end result, i.e. the number of dwelling units. Engineers may present the alternative computation, along with the required EDU computation, for a funding agency to consider using instead of the EDU computation.

This subsection of the worksheet is used to compute the number of Equivalent Dwelling Units. One EDU is considered to be the level of water service provided to a typical residential dwelling for a single family. Multiple family units, and commercial and industrial users, are assigned a greater number of EDU's since they are served by a larger service connection and utilize a greater amount of water. EDU's are used in the computation of average user rates because it provides a more precise calculation of residential water users versus other water users. This concept was originally developed for use by engineers, and has been used by the USDA RD program to determine financial need for several years. This information will be used by all the W2ASACT funding agencies to evaluate financial need. It is also useful to applicants to determine if the applicant's utility customers are being charged appropriate and equitable rates.

**Applicants with either a water or wastewater project must complete Section I, regardless of whether the applicant is served by a central water system or is planning to charge residential users a flat user fee.**  
**Applicants with solid waste projects are not required to complete Section I.**

Both current and projected calculations will be made for both the total number of hookups and for the number of residential hookups alone. The basis of calculating the EDU is that a  $\frac{3}{4}$ " water service connection is considered to be one (1) EDU. Any service connections smaller than  $\frac{3}{4}$ " are also considered to be one (1) EDU. In addition, if a service connection is larger than  $\frac{3}{4}$ ", but it only serves a single-family residence, it should be counted as one EDU.

If the applicant is not served by a central water system, this section must be completed by making the assumption that a central water system exists and estimating the number of service connections by diameter size. Assume that each residential dwelling is equal to one (1) EDU. Engineers will need to make reasonable assumptions on the diameter size of connections serving other types of uses by referencing recognized engineering sources.

Some water connections provide service to multiple mixed uses such as commercial and residential. While this is not a problem when determining total EDU's, it is problematic when computing the number of residential hookups. In the case of mixed-use service connections, applicants must estimate the portion of the service serving the residential uses. One way of doing this would be to determine the number of dwelling units within a structure served by a single connection and count each as a separate  $\frac{3}{4}$ " connection. Applicants with these unique situations should attach a narrative statement explaining the circumstances of the situation and the methodology used to compute the number of residential hookups.

Throughout the worksheet, service connection diameters will be converted to EDU's according to the following table:

<u>Service connection inside diameter (inches)</u>	<u>EDU's</u>
$\frac{3}{4}$ " or smaller	1.00
1"	1.79
1-1/2"	4.00
2"	7.14
2-1/2"	11.16
3"	16.00
4"	28.57

5"	44.64
6"	64.29
7"	87.11
8"	113.78
9"	144.00
10"	177.78

*Reminder: service connections to single-family residences are generally counted as a one EDU, regardless of the size of the connection.*

#### **PART A. CURRENT WATER HOOKUP SUMMARY**

This part of the worksheet is used to compute the current number of total EDU's and the number of residential EDU's alone. The total EDU's are calculated by multiplying the total number of hookups for each diameter size of pipe times the EDU's per hookup as indicated in the table.

#### **PART B. PROJECTED WATER HOOKUP SUMMARY**

This part of the worksheet is used to compute the projected number of total EDU's and the number of residential EDU's alone. This computation should be based on the estimated number of EDU's at the end of the construction of the project. The computations are the same as explained in Part A. This part of the worksheet is also used to compute the average EDU's per residential hookup.

### **SUBSECTION 2 – PROJECTED AVERAGE MONTHLY RESIDENTIAL RATE COMPUTATION**

**All applicants must complete Subsection 2, which is used to compute the average monthly residential rate.**

First, indicate whether debt will be used to partially finance the project. If no debt is to be incurred on the project, skip to Part E. If debt will be secured, indicate the type of debt instrument to be used and the amount, interest rate, and terms of the loan (for example, coverage requirements, and number of payments and when they are paid).

**PART A. REVENUE BOND SECURING DEBT OBLIGATION:** Complete this part if a revenue bond will be used to secure your loan. Typically, the RD and SRF programs require a revenue bond to secure a loan.

1. Indicate if a debt election has been held or the date it is scheduled to be held.
2. Compute the annual debt service for the new loan by multiplying the loan amount times any coverage required. For example, the project needs \$100,000 in the form of a loan. The interest rate is 4% for 20 years and there is a 125% debt coverage requirement. Assuming payments are made twice each year, one at the beginning of the year and the other the middle of the year, compute the annual payment based on \$100,000. Based on this example, the annual debt service would be approximately \$9,100.
3. Compute the monthly debt service for the new loan by dividing the annual debt service by 12 (months). Based on the example, the monthly debt service would be approximately \$760.
4. Specify the total number of projected EDU's after completion of project (see Section I, Part B, line [k]). If this application is for a solid waste project, specify the number of projected solid waste customers.
5. Compute the average (per EDU) monthly debt service by dividing the monthly debt service by the total number of projected EDU's. If this application is for a solid waste project, compute the average (per projected solid waste customer) monthly debt service by dividing the monthly debt service by the total number of projected solid waste customers.

#### **PART B. GENERAL OBLIGATION BOND SECURING DEBT OBLIGATION:**

1. Indicate if a debt election has been held or the date it is scheduled to be held.

2. Specify the amount of outstanding General Obligation Bonds.
3. Specify the debt limitations of the entity.
4. Compute the estimated average monthly assessment per property needed to repay debt by dividing the annual assessment by 12 (months).

**PART C. RURAL OR SPECIAL IMPROVEMENT DISTRICT BOND SECURING DEBT OBLIGATION:**

1. Specify the type of special assessment (for example, ad valorem, square footage, etc.).
2. Describe the proposed method of assessment.
3. Specify the number of parcels in the district.
4. Specify the percentage of property for each type land use that will be assessed a user fee or tax to repay the debt obligation.
5. Specify the number of property owners in district.
6. Compute the estimated average (per property) monthly assessment needed to repay debt by dividing the annual assessment by 12 (months).

**PART D. OTHER TYPE OF DEBT INSTRUMENT SECURING DEBT OBLIGATION THAT IS NOT INDICATED ABOVE**

1. For debt instruments that do not fit into one of the categories above, explain how debt will be secured.
2. Compute the estimated average monthly cost per property to repay debt.

**PART E. CALCULATION OF THE PROJECTED AVERAGE MONTHLY RESIDENTIAL USER RATE:**

1. Enter the estimated increase in monthly debt service (per projected EDU, monthly assessment per property for General Obligation [G.O.] Bond or Special Improvement District [SID], or per customer for solid waste projects) as the result of this project (see Section II, Parts A, B, C, or D). Enter \$0 if no increase is projected.
2. Enter the estimated increase or decrease in total monthly operation and maintenance (O&M) costs (including depreciation and replacement reserves) as the result of this project.
3. List and explain estimated increases or decreases in O&M costs (including depreciation and replacement reserves).
4. Calculate the estimated increase or decrease in monthly O&M costs (including depreciation and replacement reserves) (per projected EDU, monthly assessment per property for a G.O. Bond or SID, or per customer for solid waste projects) as the result of this project. Divide the estimated increases or decreases in O&M costs by the projected number of EDU 's or assessed properties.
5. Calculate the estimated increase or decrease in total monthly costs (per projected EDU, monthly assessment per property for a G.O. Bond or SID, or per customer for solid waste projects) as the result of this project. Add the estimated increase in monthly debt service and the estimated increase in monthly O&M costs (including depreciation and replacement reserves) as the result of this project.
6. Enter the projected average EDU's per residential hookup (see Section I, Part B).

*If this application is for a solid waste project or for a water or wastewater project involving a G.O. Bond or*

SID, leave blank.

7. Calculate the estimated increase or decrease in total monthly costs per average residential hookup as the result of this project. Multiply the estimated increase or decrease in total monthly costs per projected EDU times the projected average EDU's per residential hookup.

*If this application is for a solid waste project or for a water or wastewater project involving a G.O. Bond or SID, enter the total monthly costs per projected monthly assessment per property for a G.O. Bond or SID, or per customer for solid waste projects as calculated in number five.*

8. Enter the existing average monthly residential debt service, including coverage and bond reserve.
9. Enter the existing average monthly residential O&M costs and replacement and depreciation reserves.

Note: the existing average monthly residential debt service plus the existing average monthly residential O&M costs and replacement and depreciation reserves should equal the current average monthly residential rate as indicated on page 43, Section E, Line 7. If these amounts do not equal, provide an explanation of why the numbers differ.

10. Calculate the projected average monthly residential user rate after completion of this project. Add the estimated increase or decrease in total monthly costs per average residential hookup/customer as the result of this project, the existing average monthly residential debt service, and the existing average monthly residential O&M and replacement and depreciation reserves.
11. If residential customers will be charged a flat user rate, state what that rate will be and provide an explanation of why the flat user rate differs from the projected average monthly residential user rate calculated in 11.

***The following is an example of a completed System Information Worksheet:***

#### **PART A. CURRENT WATER HOOKUP SUMMARY**

<u>Diameter</u> (inches)	Current Total Hookups*			<u>Diameter</u> (inches)	Current Residential Hookups		
	(a) Total Number of Hookups	(b) EDU's per Hookup (from table)	Total EDU's [(a) x (b)]		(c) Number of Residential Hookups	(d) EDU's Per Hookup (from table)	Total Residential EDU's [(c) x (d)]
<u>3/4</u>	<u>67</u>	<u>1</u>	<u>67</u>	<u>3/4</u>	<u>65</u>	<u>1</u>	<u>65</u>
<u>1</u>	<u>3</u>	<u>1.79</u>	<u>5.37</u>				
<u>2</u>	<u>1</u>	<u>7.14</u>	<u>7.14</u>				
Totals	<u>71</u>		<u>79.51 (e)</u>		<u>65</u>		<u>65 (f)</u>

\* Includes both residential and non-residential hookups

**PART B. PROJECTED WATER HOOKUP SUMMARY**

Projected Total Hookups*				Projected Residential Hookups			
Diameter (inches)	(g)	(h)	Total EDU's [(g) x (h)]	Diameter (inches)	(i)	(j)	Total Residential EDU's [(i) x (j)]
	Total Number of Hookups	EDU's per Hookup (from table)			Number of Residential Hookups	EDU's Per Hookup (from table)	
<u>3/4</u>	<u>77</u>	<u>1</u>	<u>77</u>	<u>3/4</u>	<u>75</u>	<u>1</u>	<u>75</u>
<u>1</u>	<u>4</u>	<u>1.79</u>	<u>7.16</u>				
<u>2</u>	<u>1</u>	<u>7.14</u>	<u>7.14</u>				
Totals	<u>82</u>		<u>91.3 (k)</u>		<u>75 (l)</u>		<u>75 (m)</u>

\* Includes both residential and non-residential hookups

Projected average EDU's per residential hookup:  $\frac{1}{75} (n)$   
[(m)/(l)]

**SUBSECTION 2 – PROJECTED AVERAGE MONTHLY RESIDENTIAL RATE COMPUTATION**

**Will debt be used to finance the project?** Yes ☒ No ☐ If no, skip to PART E.

If yes, how will debt for the project be secured:

- A. Revenue Bond ☒ (complete Part A)  
 B. General Obligation Bond \_\_\_\_\_ (complete Part B)  
 C. Rural or Special Improvement District Bond \_\_\_\_\_ (complete Part C)  
 D. Other (explain) \_\_\_\_\_ (complete Part D)

Debt (Loan) Amount: \$100,000 Interest Rate: 4% Terms: 20 years, 125% debt coverage requirement

**PART A. REVENUE BOND SECURING DEBT OBLIGATION:**

- Debt election held? Yes ☐ No ☒ If no, when will election be held (date): 6/21/2002
- Annual debt service for new loan, including coverage: \$9,100(i)
- Monthly debt service for new loan, including coverage: (line i 12) \$758.33(ii)
- Total number of projected EDU's [(k) in Part 1] after completion of project: 91.3(iii)
- Average (per total projected EDU's) monthly debt service for new loan: (line ii, line iii) \$ 8.31(iv)

**PARTS B. through D. skipped.**

**PART E. CALCULATION OF THE PROJECTED AVERAGE MONTHLY RESIDENTIAL USER RATE:**

- Estimated increase in average monthly debt service (per projected EDU, monthly assessment per property for General Obligation Bond or SID, or per customer for solid waste projects) as the result of this project. Enter \$0 if no increase is projected: \$8.31 (o)  
(From Part A)
- Estimated increase or decrease in total monthly O&M (including depreciation and replacement reserves) as the result of this project: \$250.00 (p)
- Please list and explain estimated increases or decreases in O&M costs (including depreciation and replacement reserves):

O&M costs are expected to increase as a result of increased staff needed read water meters.

- |  |  |  |
|--|--|--|
| 4.   | Estimated increase or decrease in monthly O&M costs (including depreciation and replacement reserves) per projected EDU as the result of this project: | \$ <u>2.73</u> (q)<br>[(p)/(k)]          |
| 5.   | Estimated increase or decrease in total monthly costs per projected EDU as the result of this project:   | \$ <u>11.04</u> (r)<br>[(o) + (q)]       |
| 6.   | Projected average EDU's per residential hookup:  | <u>1</u> (s)<br>[(n)]                    |
| 7.   | Estimated increase or decrease in total monthly costs per average residential hookup/customer as the result of this project:                           | \$ <u>11.04</u> (t)<br>[(r) x (s)]       |
| 8.   | <u>Existing</u> average monthly <u>residential</u> debt service, including coverage and bond reserve:  | \$ <u>3.60</u> (u)                       |
| 9.   | <u>Existing</u> average monthly <u>residential</u> O&M and replacement and depreciation reserves:  | \$ <u>4.40</u> (v)                       |
| <p><i>Note: (u) plus (v) should equal the <u>current</u> average monthly residential rate as indicated on page 37, Section E, Line 7. If these amounts do not equal, provide an explanation of why the numbers differ.</i></p> |  |  |
| 10.  | Projected average monthly residential user rate after completion of this project:  | \$ <u>21.04</u> (w)<br>[(t) + (u) + (v)] |
| 11.  | Projected residential flat user rate:  | \$ <u>22.00</u> (x)                      |

The additional monthly charge of \$.96 per residential hookup will be used to create a reserve fund to finance a second phase to be completed in the year 2004, which will include the replacement of water mains. The \$22.00 monthly user fee per residential hookup will be adopted in November of 2000.

**(This is the end of the examples and instructions)**



**UNIFORM APPLICATION FORM  
FOR MONTANA PUBLIC FACILITY PROJECTS**

(Please type or print legibly)

**SECTION A - CERTIFICATION**

To the best of my knowledge and belief, the information provided in this application and in the attached documents is true and correct.

Name (printed): \_\_\_\_\_

Title (printed): \_\_\_\_\_  
Chief Elected Official or Authorized Representative

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

**SECTION B - SUMMARY INFORMATION**

1. NAME OF APPLICANT(S): \_\_\_\_\_

2. TYPE OF ENTITY: \_\_\_\_\_

3. FEDERAL TAX ID NUMBER: \_\_\_\_\_

4. TYPE OF PROJECT: \_\_\_\_\_

5. SENATE AND HOUSE DISTRICTS: \_\_\_\_\_

6. POPULATION SERVED BY PROJECT: \_\_\_\_\_

7. NUMBER OF HOUSEHOLDS SERVED BY PROJECT: \_\_\_\_\_

**8. CHIEF ELECTED OFFICIAL OR AUTHORIZED REPRESENTATIVE:**

\_\_\_\_\_  
(Name)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Street/PO Box)

\_\_\_\_\_  
(City/State/Zip)

\_\_\_\_\_  
(Telephone) (FAX No)

\_\_\_\_\_  
(E Mail address)

**10. PROJECT ENGINEER/ARCHITECT:**

\_\_\_\_\_  
(Name of Engineer)

\_\_\_\_\_  
(Name of Firm)

\_\_\_\_\_  
(Street/PO Box)

\_\_\_\_\_  
(City/State/Zip)

\_\_\_\_\_  
(Telephone) (FAX No)

\_\_\_\_\_  
(E Mail address)

**12. LEGAL COUNSEL:**

\_\_\_\_\_  
(Name)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Street/PO Box)

\_\_\_\_\_  
(City/State/Zip)

\_\_\_\_\_  
(Telephone) (FAX No)

\_\_\_\_\_  
(E Mail address)

**14. CLERK/CHIEF FINANCIAL OFFICER:**

\_\_\_\_\_  
(Name)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Street/PO Box)

\_\_\_\_\_  
(City/State/Zip)

\_\_\_\_\_  
(Telephone) (FAX No)

\_\_\_\_\_  
(E Mail address)

**9. PRIMARY ENTITY CONTACT PERSON:**

\_\_\_\_\_  
(Name)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Street/PO Box)

\_\_\_\_\_  
(City/State/Zip)

\_\_\_\_\_  
(Telephone) (FAX No)

\_\_\_\_\_  
(E Mail address)

**11. GRANT/LOAN ADMINISTRATOR:**

\_\_\_\_\_  
(Name)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Street/PO Box)

\_\_\_\_\_  
(City/State/Zip)

\_\_\_\_\_  
(Telephone) (FAX No)

\_\_\_\_\_  
(E Mail address)

**13. BOND COUNSEL:**

\_\_\_\_\_  
(Name)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Street/PO Box)

\_\_\_\_\_  
(City/State/Zip)

\_\_\_\_\_  
(Telephone) (FAX No)

\_\_\_\_\_  
(E Mail address)

**15. ACCOUNTANT:**

\_\_\_\_\_  
(Name of Accountant)

\_\_\_\_\_  
(Name of Firm)

\_\_\_\_\_  
(Street/PO Box)

\_\_\_\_\_  
(City/State/Zip)

\_\_\_\_\_  
(Telephone) (FAX No)

\_\_\_\_\_  
(E Mail address)

16. **BRIEF PROJECT SUMMARY:** (Refer to instructions and example on page 13)

**Historical Information** -

**Problem** -

**Proposed Solution** -

**SECTION C** - **FINANCIAL INFORMATION**

1. **ESTIMATED TOTAL PROJECT COST:** \$ \_\_\_\_\_

2. **PROPOSED FUNDING SOURCES** (List loans and grants from same funding source separately) (Refer to the instructions on page 15 and example on page 16):

Source	Type of Funds	Amount	Status of Commitment	Loan Rates and Terms

### 3. FUNDING STRATEGY NARRATIVE

☛ Funding Strategy Narrative **(Complete and attach)**

(Refer to the instructions on page 16 and example on page 17. Answer each question individually.)

- a. What are the conditions on the use of each source of funds?
- b. When will each source of funds listed be available (month and year)?
- c. Is there any additional information on the level of commitment for each source of funds listed?
- d. How will funding sources be coordinated with each other?
- e. Will interim-loan funds be required as part of the project? If yes, how will they be used and coordinated with other funding sources?
- f. What other sources of funds from public and private sources have been considered for this project? Explain why they are not being pursued or used for this project.
- g. If a particular source of funding is not obtained, how will the applicant proceed? Explain how the funding strategy will change if a particular source of funding is not received.
- h. What is the level of local financial participation in the project and is that level the maximum that the applicant can reasonably provide?

### 4. PROJECT BUDGET FORM

☛ Project Budget Form **(Complete form on next page)**

(Refer to the instructions on page 17 and 18, and example on page 20)

☛ Project Budget Narrative **(Complete and attach)**

(Refer to the instructions on page 18 and example on pages 21 and 22)

Completed by: _____		For: _____			Date: _____	
ADMINISTRATIVE and FINANCIAL COSTS:	SOURCE:	SOURCE:	SOURCE:	SOURCE:	SOURCE:	TOTAL
Personnel Costs						
Office Costs						
Professional Services						
Legal Costs						
Audit Fees						
Travel & Training						
Loan Fees						
Loan Reserves						
Interim Interest						
Bond Counsel and Related Costs						
TOTAL ADMINISTRATIVE/FINANCIAL COSTS						
ACTIVITY COSTS:						
Land Acquisition						
Preliminary Engineering						
Engineering/Architectural Design						
Construction Engineering Services						
Construction						
Contingency						
TOTAL ACTIVITY COSTS						
TOTAL PROJECT COSTS						

**5. CURRENT DEBT** (Refer to the instructions and example on page 23)

Year Issued	Purpose	Type of Bond/ Security	Amount	Maturity Date (mo/yr)	Debt Holder	Coverage Requirement	Avg. Annual Payment Amount	Outstanding Balance

**6. CURRENT ASSETS** (Indicate if assets are obligated.) (Refer to the instructions on page 23.)

Cash  
(Details) \_\_\_\_\_ \$ \_\_\_\_\_

Investments  
(Details) \_\_\_\_\_ \$ \_\_\_\_\_

Certificates of Deposit  
(Details) \_\_\_\_\_ \$ \_\_\_\_\_

Accounts Receivable  
(Details) \_\_\_\_\_ \$ \_\_\_\_\_

Any other current assets not specifically indicated above  
(Details) \_\_\_\_\_ \$ \_\_\_\_\_

**7. BALANCE SHEET** (Submit if applying to RD; contact the other programs to determine if or when this information is needed.)

☐ Balance Sheet (Check if attached)

**8. INCOME AND EXPENSE STATEMENT** (Submit if applying to RD; contact the other programs to determine if or when this information is needed.)

☐ Income and Expense Statement (Check if attached)

**SECTION D - CENSUS INFORMATION**

**Do not fill in this section.** The following information will be completed by the receiving agency using data supplied by the U.S. Bureau of the Census and the U.S. Department of Housing and Urban Development based on Census data.

1. MEDIAN HOUSEHOLD INCOME \$ \_\_\_\_\_
2. LOW TO MODERATE INCOME PERSONS: The percent of the population at or below the level designated as low to moderate income. % \_\_\_\_\_
3. POVERTY: The percent of the population characterized as at or below the level designated as poverty. % \_\_\_\_\_

**SECTION E - SYSTEM INFORMATION** (Refer to instructions on pages 23 and 24)

**Number of unimproved properties in jurisdiction:** \_\_\_\_\_

- ☛ **Complete and attach the "System Information Worksheet."** The figures required for the items listed below that are denoted with an "☛" are computed using the "System Information Worksheet." The letter in parenthesis following the "☛" denotes the location in the worksheet to find the figure to be inserted.

- |  | <u>Current</u>                      | <u>Projected</u>   |
|--|-------------------------------------|--|
| 1. Total System Annual Revenue   | \$ _____                            | \$ _____   |
| 2. Total System Annual Operation and Maintenance Costs   | \$ _____                            | \$ _____   |
| 3. Total System Equivalent Dwelling Units*<br>☛(e) for current and (k) for projected             | _____                               | _____  |
| 4. Total <b>Residential</b> Equivalent Dwelling Units*<br>☛(f) for current and (m) for projected | _____                               | _____  |
| 5. Annual Revenue from Residential Hookups   | \$ _____                            | \$ _____   |
| 6. Percent of Total Annual Revenue from Residential Hookups                                      | _____                               | _____  |
| 7. Average Monthly Residential Rate  | \$ _____                            | \$ _____   |
|  | ☐ Check box if this is a flat rate. | <u>Projected</u> Average Monthly Residential Rate ☛ (w) or (x) |
| 8. <u>Other System</u> Average Monthly Residential Rate  | \$ _____                            | \$ _____   |

\* If this application is for a solid waste project, see instructions.

**SYSTEM INFORMATION WORKSHEET**  
(Refer to instructions on pages 25 through 30)

**SUBSECTION 1 – EQUIVALENT DWELLING UNIT COMPUTATION**

Applicants with either a water and wastewater project must complete Section I, regardless of whether the applicant is served by a central water system or is planning to charge residential users a flat user fee. If the applicant is not served by a central water system, or it has water connections that provide service to multiple mixed uses, such as commercial and residential, refer to the instructions on page 30 for information on computing the number of EDU's. Applicants with solid waste projects are not required to complete Section I. Service connection diameters will be converted to EDU's according to the following table, with the exception of those situations noted on page 25:

<u>Service connection inside diameter (inches)</u>	<u>EDU's</u>
3/4" or smaller	1.00
1"	1.79
1-1/2"	4.00
2"	7.14
2-1/2"	11.16
3"	16.00
4"	28.57
5"	44.64
6"	64.29
7"	87.11
8"	113.78
9"	144.00
10"	177.78

**PART A. CURRENT WATER HOOKUP SUMMARY**

<u>Diameter</u> (inches)	<u>Current Total Hookups*</u>		<u>Total EDU's</u> [(a) x (b)]	<u>Diameter</u> (inches)	<u>Current Residential Hookups</u>		<u>Total Residential EDU's</u> [(c) x (d)]
	(a) <u>Total</u> <u>Number of</u> <u>Hookups</u>	(b) <u>EDU's per</u> <u>Hookup</u> (from table)			(c) <u>Number of</u> <u>Residential</u> <u>Hookups</u>	(d) <u>EDU's Per</u> <u>Hookup</u> (from table)	
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
Totals	_____	_____	_____ (e)	_____	_____	_____	_____ (f)

\* Includes both residential and non-residential hookups



Projected Total Hookups*				Projected Residential Hookups			
<u>Diameter</u> <u>(inches)</u>	(g) Total Number of <u>Hookups</u>	(h) EDU's per <u>Hookup</u> (from table)	Total EDU's [(g) x (h)]	<u>Diameter</u> <u>(inches)</u>	(i) Number of Residential <u>Hookups</u>	(j) EDU's Per <u>Hookup</u> (from table)	Total Residential <u>EDU's</u> [(i) x (j)]
Totals			(k)		(l)		(m)

Projected average EDU's per residential hookup:  $\frac{\text{_____} (n)}{[(m)/(l)]}$

**Will debt be used to finance the project?** Yes      No      If no, skip to PART E.

A. Revenue Bond \_\_\_\_\_(complete Part A)  
B. General Obligation Bond \_\_\_\_\_(complete Part B)  
C. Rural or Special Improvement District Bond \_\_\_\_\_(complete Part C)  
D. Other (explain) \_\_\_\_\_(complete Part D)

Debt (Loan) Amount: \$                      Interest Rate:        %    Terms:

**PART A. REVENUE BOND SECURING DEBT OBLIGATION:**

1. Debt election held? Yes \_\_\_\_ No \_\_\_\_ If no, when will election be held (date) \_\_\_\_\_
2. Annual debt service for new loan, including coverage: \$ \_\_\_\_\_(i)
3. Monthly debt service for new loan, including coverage: (line i. 12) \$ \_\_\_\_\_(ii)
4. Total number of projected EDU's after completion of project: \_\_\_\_\_(iii)
5. Average (per total projected EDU's) monthly debt service for new loan: (line ii. line iii) \$ \_\_\_\_\_(iv)

**PART B. GENERAL OBLIGATION BOND SECURING DEBT OBLIGATION:**

1. Debt election held? Yes \_\_\_\_ No \_\_\_\_ If no, when will election be held (date): \_\_\_\_\_
2. Amount of outstanding General Obligation Bonds \$ \_\_\_\_\_
3. Debt limitations of entity \_\_\_\_\_
4. Estimated average (per property) monthly assessment needed to repay debt (divide the annual assessment by 12 to obtain a monthly figure): \$ \_\_\_\_\_

**PART C. RURAL OR SPECIAL IMPROVEMENT DISTRICT BOND SECURING DEBT OBLIGATION:**

1. Type of special assessment:
  - a. SID \_\_\_\_\_
  - b. RID \_\_\_\_\_
  - c. Other (specify) \_\_\_\_\_
2. Proposed method of assessment:
  - a. Assessable Area \_\_\_\_\_
  - b. Area \_\_\_\_\_
  - c. Ad Valorem Tax \_\_\_\_\_
  - d. Lineal Front Footage \_\_\_\_\_
  - e. Combination of a. through d. above (explain) \_\_\_\_\_  
\_\_\_\_\_
3. Number of parcels in the district \_\_\_\_\_
4. What percentage of the property (based on the methods of assessment) within the district fits these descriptions?

TYPE OF PROPERTY	PERCENT DEVELOPED	PERCENT UNDEVELOPED
Commercial		
Industrial		
Single-Family Residential		
Multi-Family Residential		
Agricultural		

5. Number of property owners in district \_\_\_\_\_
6. Estimated average (per property) monthly assessment needed to repay debt (divide the annual assessment by 12 to obtain a monthly figure): \$ \_\_\_\_\_

**PART D. OTHER TYPE OF DEBT INSTRUMENT SECURING DEBT OBLIGATION THAT IS NOT INDICATED ABOVE**

1. Explain how debt will be secured: \_\_\_\_\_  
\_\_\_\_\_
2. Estimated average (per property) monthly cost to repay debt: \$ \_\_\_\_\_

**PART E. CALCULATION OF THE PROJECTED AVERAGE MONTHLY RESIDENTIAL USER RATE:**

1. Estimated increase in average monthly debt service (per projected EDU, monthly assessment per property for General Obligation Bond or SID, or per customer for solid waste projects) as the result of this project.  
Enter \$0 if no increase is projected: \$ \_\_\_\_\_ (o)  
[From Part A, B, C, or D]
2. Estimated increase or decrease in total monthly operation and maintenance (O&M) costs (including depreciation and replacement reserves) as the result of this project: \$ \_\_\_\_\_ (p)
3. List and explain estimated increases or decreases in O&M costs, including depreciation and replacement reserves (Provide a reasonably detailed explanation regarding the reason for the increase or decrease):  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
4. Estimated increase or decrease in monthly O&M costs (including depreciation and replacement reserves) (per projected EDU, monthly assessment per property for General Obligation Bond or SID, or per customer for solid waste projects) as the result of this project: \$ \_\_\_\_\_ (q)  
[(p)/(k)]
5. Estimated increase or decrease in total monthly costs (per projected EDU, monthly assessment per property for General Obligation Bond or SID, or per customer for solid waste projects) as the result of this project: \$ \_\_\_\_\_ (r)  
[(o) + (q)]
6. Projected average EDU's per residential hookup: \$ \_\_\_\_\_ (s)  
[(n)]
7. Estimated increase or decrease in total monthly costs per average residential hookup/customer as the result of this project: \$ \_\_\_\_\_ (t)  
[(r) x (s)]
8. Existing average monthly residential debt service, including coverage and bond reserve: \$ \_\_\_\_\_ (u)
9. Existing average monthly residential O&M costs and replacement and depreciation reserves: \$ \_\_\_\_\_ (v)

*Note: (u) plus (v) should equal the current average monthly residential rate as stated on page 43, Section E, Line 7. If these amounts do not equal, provide an explanation of why the numbers differ.*

10. Projected average monthly residential user rate after completion

of this project:

$$\frac{\$ \quad (w)}{[(t) + (u) + (v)]}$$

11. Projected flat user rate:

$$\frac{\$ \quad (x)}{\quad}$$

---

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---

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BALANCE SHEET		Name					
		Address					
		Month	Day	Year	Month	Day	Year
		Current year			Prior Year		
<b>ASSETS</b>							
<u>CURRENT ASSETS</u>							
1. Cash on hand, in banks							
2. Time deposits and short-term investments							
3. Accounts receivable							
4. Less: Allowance for doubtful accounts		( )			( )		
5. Inventories							
6. Prepayments							
7.							
8.							
9. Total Current Assets (add lines 1 through 8)							
<u>FIXED ASSETS</u>							
10. Land							
11. Buildings							
12. Furniture and equipment							
13.							
14. Less: Accumulated depreciation		( )			( )		
15. Net Total Fixed Assets (add lines 10 through 14)							
<u>OTHER ASSETS</u>							
16.							
17.							
18. Total Assets (add lines 9, 15, 16, and 17)							
<b>LIABILITIES AND EQUITIES</b>							
<u>CURRENT LIABILITIES</u>							
19. Accounts payable							
20. Current portion of notes payable							
21. Customer deposits							
22. Taxes payable							
23. Interest payable							
24.							
25.							
26. Total Current Liabilities (add lines 19 through 25)							
<u>LONG-TERM LIABILITIES</u>							
27. Notes payable							
28.							
29.							
30. Total Long-Term Liabilities (add lines 27 through 29)							
31. Total Liabilities (add lines 26 and 30)							
<u>EQUITY</u>							
32. Retained earnings							
33. Memberships							
34. Total Equity (add lines 32 and 33)							
35. Total Liabilities and Equity (add lines 31 and 34)							
<b>CERTIFIED CORRECT</b> Date      Appropriate Official (signature)							

# INCOME AND EXPENSE STATEMENT

Name		Address			
Applicant Fiscal Year From _____ To _____		County		State (including ZIP code)	
	19	19	19	19	First Full Year
	(1)*	(2)*	(3)*	(4)*	(5)*
<u>OPERATING INCOME</u>					
1. _____					
2. _____					
3. _____					
4. _____					
5. MISCELLANEOUS					
6. Less: Allowances and Deductions	(      )	(      )	(      )	(      )	(      )
7. Total Operating Income (add lines 1 through 6)					
<u>OPERATING EXPENSES</u>					
8. _____					
9. _____					
10. _____					
11. _____					
12. _____					
13. _____					
14. _____					
15. Interest (RD)					
16. Depreciation					
17. Total Operating Expense (add lines 8 through 16)					
18. NET OPERATING INCOME (LOSS) (line 7 less line 17)					
19. _____					
20. _____					
21. Total Nonoperating Income (add lines 19 and 20)					
22. NET INCOME (LOSS) (add lines 18 and 21)					

Budget and Projected Cash Flow Approved by Governing Body

- \*(1), (2), (3)    - Three previous years' actuals  
 (4)                - Current year's budget  
 (5)                - Proposed first full year of operation

Attest:

Secretary \_\_\_\_\_

Date \_\_\_\_\_

Appropriate Official \_\_\_\_\_

Date \_\_\_\_\_

## UNIFORM PRELIMINARY ENGINEERING REPORT FOR MONTANA PUBLIC FACILITY PROJECTS

**The Preliminary Engineering Report (PER) outline describes the minimum information that should be included the PER. In order to facilitate the review of the PER, adherence to the outline is strongly encouraged.**

The PER is submitted as part of an application to any of the federal and state agencies that fund public facilities in the State of Montana as listed in this publication. The outline presented on the following pages describes the common items necessary to produce the PER. **The PER must be prepared by a professional engineer licensed to practice in Montana.**

The outline addresses planning requirements for water, wastewater, storm water and solid waste management projects. Reports prepared in this format should meet the Montana Department of Environmental Quality (DEQ) planning requirements under the applicable Circular DEQ-1, DEQ-2 or DEQ-3.

The PER should provide the necessary explanation needed to understand the existing situation and problem, analyze alternatives and propose a specific course of action describing how the problem will be solved. Sufficient information must be provided to adequately assess the need for, feasibility and cost of the project. The engineer should provide thorough documentation where noted, using technical supporting information (reports, studies, lab analyses, etc.). Engineers are encouraged to cite supporting technical information and summarize the data if appropriate, rather than attaching lengthy supporting technical information.

If the information required by the PER outline is not provided, the application may be rejected or the agency to which the application is being submitted may need to contact the applicant for additional information before the review can continue. In the case of a PER being submitted to a “competitive” type of funding program, the information presented in the PER or application may be all that is used to evaluate the PER and ultimately the application. As a result, if the PER is deficient, it could result in the application receiving fewer points and possibly not funded.

Environmental resources that may be impacted by the proposed project must be identified and evaluated. This is accomplished by completing the Uniform Environmental Checklist on page 69, analyzing the potential impacts of the project on the identified environmental resources in the PER, and requesting that several State and Federal agencies comment on the selected alternative in order to identify any specific concerns that they may have about the proposed project. This process is explained in more detail on page 63, Environmental Related Requirements.

The various agencies funding these projects have different requirements related to the environmental review process, the selection of the preferred engineering alternative, and adoption of the preliminary engineering report. Public review and notifying the public in particular varies by funding agencies. Failure to follow the requirements of a particular funding agency’s requirements may result in additional engineering and environmental review activities, which may include subsequent review and additional notices. As a result, applicants should contact those agencies that they are considering applying to, in order to determine each of the agencies specific requirements. **However, prior to the final adoption of the preliminary engineering report, at least one public meeting is required in order to receive comments from the public. The public meeting must be properly noticed (advertised) and the public must be provided with an opportunity at the meeting to comment on the project. Minutes of the meeting should reflect what was discussed about the project, including all comments received from the public. Refer to individual program’s application guidelines for any additional hearing requirements.**

The following basic outline represents the minimum information  
required to produce an acceptable PER:

- I. Executive Summary**
- II. Problem Definition**
  - A. Identify planning area and existing/potential service area**
    - 1. Location
    - 2. Physical Characteristics of the Area
    - 3. Environmental Resources Present.
    - 4. Growth Areas and Population Trends
  - B. Evaluate condition of existing facilities**
    - 1. Schematic Layout
    - 2. History
    - 3. Analysis of Existing Facilities
    - 4. Financial Status of Facilities
  - C. Describe and document the need for the project and the problems to be solved**
    - 1. Health and Safety
    - 2. System O&M
    - 3. Growth
    - 4. Unresolved Problems
  - D. General Design Requirements for Improvements**
- III. Alternative Screening Process**
- IV. Alternative Analysis**
  - A. Description**
  - B. Schematic Layout**
  - C. Operational Requirements**
  - D. Energy Requirements**
  - E. Regulatory Compliance and Permits**
  - F. Land Requirements**
  - G. Environmental Considerations**
  - H. Construction Problems**
  - I. Cost Estimate**
    - 1. Project Costs
    - 2. Annual O&M Costs
    - 3. Present Worth Analysis



**J. Selection of a Preferred Alternative**

**V. Detailed Description of the Preferred Alternative**

**A. Site Location and Characteristics**

**B. Operational Requirements**

**C. Impact on Existing Facilities**

**D. Design Criteria**

**E. Environmental Impacts and Mitigation**

**F. Cost Summary for the Selected Alternative**

1. Project Cost Estimate
2. Annual Operating Budget
3. Reserves

**VI. RECOMMENDATIONS AND IMPLEMENTATION**

**A. Funding Strategy**

**B. Implementation**

**B. Public Participation**

<p>On the following pages a more detailed outline provides guidance regarding the type and level of detail that should be provided under each of the headings stated above.</p>
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## DETAILED PRELIMINARY ENGINEERING REPORT OUTLINE

The following is a more detailed outline that provides guidance regarding the type and level of detail under each of the required headings. It should be noted that the outline is by no means all-inclusive. The engineer should use judgment in presenting sufficient information in the preparation of the PER, taking into account that different systems require varying levels of detail (facultative lagoons versus mechanical plants, groundwater sources versus surface water treatment, land filling versus transportation, etc.). The level of effort required to prepare the report and the depth of analysis within the report should be proportional to the size and complexity of the proposed project.

Section II.B. of this outline requires an evaluation of existing facilities associated with the entire system. The intent of this requirement is not to force the unnecessary expenditure of time or money conducting a detailed engineering study and evaluation of system components not being replaced or improved as part of this project. However, in order for funding agencies to properly evaluate an application and make meaningful funding decisions, it is necessary for them to know the condition of all of the components of the system, the improvements that have been made to the various components of the system in the past, and how the remaining improvements that will be needed will be phased. It is therefore required that the general condition of all components of the system be discussed in the PER in enough detail to provide an understanding of the overall condition of the entire system. Drawings, schematics, and the level of detail required to convey this information is left to the professional judgment of the engineer preparing the PER.

**I. Executive Summary.** *Provide a summary of why the engineering study was undertaken, a brief description of the basic needs or deficiencies of the system being studied, a brief description of the alternatives considered, a brief description of the preferred alternative, the estimated total cost to construct the preferred alternative and the net cost per user based on the proposed funding plan. Note any other pertinent conclusions.*

**II. Problem Definition.**

**A. Identify planning area and existing/potential service area.** *Using narrative and drawings, describe the area under consideration. The project planning area may be larger than the service area ultimately determined to be economically feasible. The description should include the following information:*

1. Location – *Indicate legal and natural boundaries, latitude and longitude, major obstacles, elevations, etc, using maps, photographs, and sketches of the planning area.*
2. Physical Characteristics of the Area – *Describe the physical character of the project area including geology, topography, soil types, groundwater, surface water, vegetation, etc. that may have an impact on the project costs, performance, simplicity, etc. or allow for a more complete understanding of the problem. Provide a copy of the USGS topographic quadrangle, FEMA floodplain map, wetlands inventory map, and USGS soil identification map in instances where maps have been published.*
3. Environmental Resources Present – *Provide information on the location and significance of important land resources, historic sites, endangered species/critical habitats, etc., using maps, photographs, studies and narrative. Generally discuss any potential environmental impacts that the project may have on the broad geographical area where the project is to be constructed. Attach any other exhibits, maps, or correspondence that may be applicable to help identify environmental resources present.*

*The information collected through the Uniform Environmental Checklist is the basis for identifying the environmental resources in the area that may be affected. The checklist must be signed by a professional engineer and included as an attachment to the PER. If there has been a previous environmental assessment completed for the project area, please include a copy of the assessment in addition to the completed checklist.*

*At a minimum, state whether any of the following issues will or will not be potentially affected:*

- Land use/formally classified lands – (farmland, range land, forestland)
  - Biological resources
  - Water resource Issues – (quality and quantity)
    - Surface
    - Groundwater
  - 100/500 year floodplains
  - Wetlands, including stream crossings
  - Cultural resources
  - Socio-economic/Environmental justice issues – *If the proposed project will be located in a minority or low-income community, analyze if the location of the proposed project will have, or will be perceived to have, disproportionately high adverse human health or environmental effects to the community. If the project will have no disproportionate effects, this should be stated. If the project will have, or may be perceived to have, disproportionately high or adverse human health or environmental effects to the community, the analysis must include a description of the efforts made to include minority and low-income populations into the NEPA process.*
4. **Growth Areas and Population Trends** – *Identify specific areas of concentrated growth. Provide population projections for the project planning area and concentrated growth areas for the project design period. Base population projections on historical records or economic projections, citing recognized sources.*

**B. Evaluate condition of existing facilities.** *Describe the condition of the existing facilities:  
Note: Provide sufficient detail as necessary for the reviewer to understand the condition of all components of the system.*

1. **Schematic Layout** – *Provide a schematic layout for the existing system. The schematic map should provide basic information on the location and size of the components in the system, especially in the case of distribution and collection mains.*
2. **History** – *Provide a brief history of the facilities, including when the system was constructed, major improvements and any past problems.*
3. **Analysis of Existing Facilities** – *Analyze the system to determine its present condition and ability to meet current and future standards (Safe Drinking Water Act, Clean Water Act, and other federal, state, local or tribal requirements). Are the existing central facilities suitable for continued use? Analyze the capacity for future growth. Justify statements regarding the condition of existing facilities by summarizing field studies, flow monitoring, TV inspection, operating records, water quality data, special studies, and citing the source of information. Include pictures if appropriate. Flow and load demands should be based on detailed inventories of system uses, flow monitoring as appropriate, pump station records, water quality sampling, existing records, and reports, and any other means available that documents current and future flows and loads. Flow metering field data should be summarized with a map showing the location of all sampling points. For wastewater projects, provide a copy of the latest Comprehensive Performance Evaluation, MPDES compliance inspection report or DEQ O & M inspection, if available, along with a copy of the MPDES Discharge Permit. For water projects, provide a copy of the latest sanitary survey. Attach copies of water quality tests.*

**For drinking water systems analyze:**

- **Water demand**
- **Adequacy of supply** – *Address volume and quality, reliability and susceptibility to drought, and capacity for growth.*
- **Source water protection** – *Has it been addressed?*
- **Treatment** – *Address waste streams and sludge disposal.*
- **Storage** – *Address ability to provide adequate storage for domestic and fire demands, condition of storage facilities.*
- **Pump stations and other infrastructure** – *Address condition, capacity for future growth.*
- **Distribution system** – *Address main size & condition, ability to provide domestic & fire*

*flows, capacity for growth.*

- Utilization of water meters
- Operational and management practices and capabilities – *Address problems that have been encountered in the operation and maintenance of the system.*

**For wastewater systems analyze:**

- Existing flows
- Hydraulic and organic loading – *Compare the wastewater system loading with current water usage where high hydraulic loading is noted.*
- Treatment standards – *Address water quality standards and non-degradation. Are discharge standards met? Address sludge testing and removal.*
- Lift stations
- Collection system – *Address main capacity and main slopes.*
- Impact of infiltration or inflow on system performance
- Operational and management practices and capabilities – *Address problems that have been encountered in the operation and maintenance of the system.*

**For stormwater systems analyze:**

- Collection system – *Address main capacity, main slopes, infiltration and inflow.*
- Hydraulic loading
- Pumping stations
- Storage, detention
- Operational and management practices and capabilities – *Address problems that have been encountered in the operation and maintenance of the system.*

**For solid waste systems analyze:**

- Waste volume and characterization data
- Collection
- Treatment and disposal
- Operational and management practices and capabilities – *Address problems that have been encountered in the operation and maintenance of the system.*

4. Financial Status of Facilities – *Provide information regarding rate schedules, annual operating and maintenance (O&M) cost, tabulation of users by monthly usage categories and revenue received for last three fiscal years. Give status of existing debts and required reserve accounts.*

**C. Describe and document the need for the project and the problems to be solved. Describe the need for the project in the following order of priority:**

1. Health and Safety – *Describe concerns, compliance issues, and relevant regulations (both existing and anticipated) such as Safe Drinking Water Act, Clean Water Act, and other federal, state, local or tribal requirements. Attach correspondence to/from federal, and state regulatory agencies. Attach documentation such as violation of discharge permits, notice of violations, administrative orders, or boil orders.*
2. System O&M – *Describe O&M concerns with emphasis on those with the greatest impact. Discuss operational, administrative and management capacity. Describe the duration of the problem, and the operation and management steps that have been taken to remedy the situation. If steps have been recommended as part of a Comprehensive Performance Evaluation or other regulatory agency review and the recommended actions have not been instituted, provide discussion as to why the actions have not been instituted.*
3. Growth – *Describe the system capacity that is necessary to meet needs during the planning period. Discuss any consideration given to designing for phased construction. Provide number of new users to be served by this project.*

4. Unresolved Problems – Describe any of the problems identified above that are not to be addressed and the reasons for not addressing them. Discuss phasing if applicable.

**D. General Design Requirements for Improvements.** Describe the general design requirements that will need to be met in discussing the potential alternatives to remedying the system's problems.

**For drinking water projects address:**

- Circular DEQ 1, Design Standards for Water Works
- Regulatory requirements and permits
- Source(s) of water supply (quantity/quality/reliability/water rights)
- Source water protection
- Water use/demand data (average day, maximum day, peak hourly, fire flow)
- Treatment
- Pumping
- Transmission/distribution
- Storage
- Water meters/conservation
- Water system wastes (treatment/handling/disposal/re-use)

**For wastewater projects address:**

- Circular DEQ 2, Design Standards for Wastewater Facilities
- Existing and design flows
- Hydraulic and organic loading
- Regulatory requirements and permits
- TMDL considerations
- Treatment
- Collection
- Pump stations
- Sludge

**For stormwater projects address:**

- Hydraulic loading
- Collection
- Pump stations
- Detention and storage
- Treatment
- Regulatory requirements and permits

**For solid waste projects address:**

- Waste volume and characterization data – Include in the discussion the estimated recyclables and compostables.
- Site requirements – Include in the discussion planning and zoning restrictions.
- Waste collection, treatment and disposal requirements – Include in the discussion regional transfer and composting facilities and storage facility requirements.

**III. Alternative Screening Process.** Describe all available alternatives to remedy the problems to be solved, including the no action alternative. Briefly discuss any alternative that is not to be discussed further in Section IV. Alternative Analysis, noting why the alternative is obviously not suitable for further consideration. A sound justification is required for eliminating an alternative. This section documents that an option was not overlooked, but rather was considered and ruled out as a viable option during the early stages of the planning process. If a system is required to remedy a problem, such as having an administrative order, the "no action" alternative can be briefly discussed and eliminated in this section. All alternatives that are not eliminated in the screening process should be evaluated in Section IV. Alternative Analysis.

**IV. Alternative Analysis.** Address items A through I for each alternative not eliminated in Section III.

Alternative Screening Process. Note that the environmental impacts of alternatives are discussed in Section VI. Environmental Information.

**For drinking water projects address:**

- Supply or source alternatives – Describe new supply alternatives, rehabilitating existing supply or source, water rights, etc..
- Distribution system alternatives (main size & routing alternatives, material alternatives)
- Storage alternatives (tank or reservoir types and locations)
- Fire protection alternatives (main size & routing, building sprinkler systems)
- Pump stations & other infrastructure alternatives (options to increase capacity, pump types, etc.)
- Treatment alternatives – Describe the various treatment alternatives being proposed including ability to meet regulations, treatment efficiency and O&M requirements. Address waste streams and sludge disposal.
- Project site alternatives
- Utilization of water meters
- Potential for regionalization

**For wastewater projects address:**

- Collection system alternatives (main size & routing alternatives, material alternatives)
- Lift stations & other infrastructure alternatives (options to increase capacity, pump types, etc.)
- Treatment alternatives – Describe the various treatment alternatives being proposed including ability to meet regulations, treatment efficiency, discharge, and O&M requirements. Address sludge testing and removal.
- Project site alternatives

**For stormwater projects address:**

- Collection system alternatives (main size & routing alternatives, material alternatives)
- Lift stations & other infrastructure alternatives (options to increase capacity, pump types, etc.)
- Storage, detention alternatives
- Treatment alternatives – Describe the various treatment alternatives being proposed including ability to meet regulations, treatment efficiency and O&M requirements.
- Project site alternatives

**For solid waste projects address:**

- Collection alternatives
- Treatment and disposal alternatives
- Project site alternatives
- Waste reuse or recycling

- A. Description.** Describe the alternative technology that could be used to remedy a problem.
- B. Schematic Layout.** Provide a schematic layout for the alternative. For storm drain and wastewater collections systems provide general elevations. For water systems provide elevations of source, pressure zones and water tank operating levels. For solid waste systems clearly identify pertinent hydraulic characteristics such as groundwater elevation, groundwater flow, etc.
- C. Operational Requirements.** Discuss the operational skill involved or new operational duties resulting from a given alternative. Discuss manpower requirements.
- D. Energy Requirements.** Discuss energy consumption.
- E. Regulatory Compliance and Permits.** Describe how each alternative will bring the system into compliance with appropriate regulations such as Safe Drinking Water Act, Clean Water Act, and other federal, state, local or tribal requirements. Include a discussion on future, anticipated permit

conditions (such as ammonia limitations, effect of TMDLs, or disinfection requirements). Describe and list any permits that will be required to implement each alternative.

- F. Land Requirements.** Identify sites, rights-of-way and easements required. Specify whether these properties are currently owned, or are to be acquired or leased, and whether options have been obtained contingent upon receipt of funding. For any site not currently being used for the intended alternative, identify adjacent land uses and any potential conflicts.
- G. Environmental Considerations.** Discuss any specific impacts that a particular alternative may have beyond those already discussed in II. Problem Definition.
- H. Construction Problems.** Discuss unique concerns such as geological constraints, high water table, limited access, underground storage tanks, contaminated soil, or other conditions that may affect cost of construction or operation of facility. If applicable, discuss any special considerations to keep existing facilities operable during construction. Provide an estimated dollar amount to mitigate such problems.
- I. Cost Estimates.**
1. Project Costs – (i.e., administrative, financial, engineering, and construction costs) Provide unit costs and basis of estimated costs.
  2. Annual O&M Costs – Provide a discussion of the increase or decrease in operation and maintenance requirements associated with the alternative being analyzed. Include increased energy costs in the O&M costs. Provide a line item breakout and basis of O&M costs.
  3. Present Worth Analysis – Based on a consistent discount rate, evaluate cost-effectiveness considering, at a minimum, capital and O&M costs for an appropriate planning period.
- J. Selection of a Preferred Alternative.** Provide a comparative analysis of all of the alternatives discussed above. Clearly define the criteria utilized for the comparison of each alternative and consistently apply the criteria to each alternative. At a minimum, the evaluation should take into account technical feasibility, environmental impacts, financial feasibility, public health and safety, operational and maintenance considerations, and public comments. Briefly describe each alternative's ability to: meet the owner's needs within its financial and operational resources, comply with regulatory requirements, be compatible with existing comprehensive area-wide development plans, and satisfy public and environmental concerns. A matrix or spreadsheet should be used to summarize the logic of the selection process.

**V. Detailed Description of the Preferred Alternative.**

- A. Site location and characteristics.** Discuss the site location of any facilities, and the characteristics of the site(s). Provide any drawings or schematics if not previously provided.
- B. Operational requirements.** Discuss the expertise required to operate the facility and any unique requirements of the system.
- C. Impact on existing facilities.** Discuss the impact that the project would have on other system's facilities. For example, impacts that a water system improvement may have on the wastewater system.
- D. Design criteria.** Describe in greater detail the design criteria for the selected alternative. Discuss how the selected alternative will meet existing, and anticipated, regulatory and permit requirements.

**For drinking water projects address:**

- Water Supply – Include requirements for quality and quantity. Describe recommended source, including site.
- Treatment – Describe process in detail and identify location of plant and site of any process discharges.

- Storage – Identify size, type and site location.
- Pumping Stations – Identify size, type, site location and any special power requirements.
- Distribution Layout – Identify general location of line improvements: lengths, sizes and key components.
- Hydraulic Calculations – Provide sufficient information to determine compliance with DEQ design requirements.
- Water Meters – Discuss the cost effectiveness, technical feasibility and resource benefits of utilizing water meters. If water meters are not proposed for the project, show why they would not be appropriate based on cost effectiveness, technical feasibility and resource benefits.

**For wastewater projects address:**

- Treatment – Describe process in detail and identify location of plant and site of any discharges. Discuss effect of TMDLs. Discuss sludge testing and disposal.
- Pumping Stations – Identify size, type, site location and any special power requirements.
- Collection System Layout – Identify general location of line improvements: lengths, sizes and key components.
- Hydraulic Calculations – Provide sufficient information to determine compliance with DEQ design requirements.

**For stormwater projects address:**

- Collection Layout – Identify general location of line improvements: lengths, sizes and key components.
- Pumping Stations – Identify size, type, site location and any special power requirements.
- Storage – Identify size, type and site location.
- Treatment – If treatment is required, describe process in detail and identify location of plant and site of any process discharges in addition to storm water.
- Hydraulic Calculations – Provide sufficient information to determine compliance with standard design requirements

**For solid waste management projects address:**

- Collection – Describe process in detail and identify quantities of material, length of transport, and any special handling requirements. Describe equipment required and plans for equipment rotation.
- Storage – If storage is required, identify size, type and site location.
- Disposal System – Describe process in detail and identify permit requirements, quantities of material, recycling processes, location of plant and site of any process discharges

**E. Environmental Impacts and Mitigation.** Discuss in greater detail the environmental impacts that the selected alternative may have on environmental resources, and any appropriate short and long-term measures necessary to minimize each potentially adverse impact. Attach any exhibits or maps applicable to the environmental consequences. Attach the required environmental related correspondence and agency comments.

**F. Cost Summary for the Preferred Alternative.**

1. Project Cost Estimate – Provide an itemized estimate of the project administration and construction costs based on the anticipated period of construction. Include administrative line items such as personnel, office costs, training, legal services, interim interest, bond services, audit costs and other costs associated with the proposed project. Include construction line items for preliminary engineering, engineering design services, construction management, construction costs, land purchase costs, and contingency.
2. Annual Operating Budget
  - a. Income – Project income realistically. Base projections on user billings, water treatment contracts, and other sources of incomes. Provide a rate schedule. Provide the number of users and estimated cost per user with supporting data. When large agricultural or



*commercial users are projected, substantiate and evaluate the impact of such users on the economic viability of the project. Where population decreases are anticipated account for potential decrease in income.*

- b. O&M Costs – *Project costs realistically. In the absence of other reliable data, base projections on actual costs of other existing facilities of similar size and complexity. Include facts to substantiate O&M cost estimates. Include salaries, wages, taxes, accounting and auditing fees, legal fees, interest, utilities, gasoline, oil and fuel, insurance, repairs and maintenance, supplies, chemicals, office supplies and printing, and miscellaneous.*
  - c. Capital Improvements – *Describe annual costs of purchasing or replacing equipment, machinery, vehicles, and portions of the system.*
  - d. Debt Repayments and Coverage Requirements – *Describe existing and proposed project financing from all sources and effect of various scenarios on user fees.*
3. Reserves – *Describe any reserve requirements including bond and replacement reserves. Also, describe any short-lived assets (pumps, motors, painting, small equipment replacement) that have a planned life of fifteen years or less and are not included in annual O&M expenses. A detailed cost schedule of assets, with five-year, ten-year, and fifteen-year life expectancies, should be created.*

## **VI. RECOMMENDATIONS AND IMPLEMENTATION.**

- A. Funding Strategy.** *Describe the proposed funding strategy and resultant user costs.*
- B. Implementation.** *Describe how the project will be implemented and any special concerns regarding implementation. Discuss any recommendations for special studies such as pilot studies, highlighting the need for special coordination, or recommending a plan of action to expedite project development, etc. Provide a project schedule. Include as part of the schedule the time line for obtaining all project funding. Identify any items that have the potential to delay or prevent the project from going forward.*
- C. Public Participation.** *Describe any public participation, meetings, hearings, or comments received from the public about the PER, environmental concerns, or the proposed project in general. Include minutes of meetings, copies of sign-in sheets, and proof of advertisement.*

## ENVIRONMENTAL RELATED REQUIREMENTS

All state and federally funded projects are subject to either the Montana Environmental Policy Act (MEPA) or National Environmental Policy Act of 1969 (NEPA), or both. MEPA seeks to avoid or mitigate adverse impacts on the natural and human environment by mandating careful consideration of the potential impacts of any development assisted with state funds or approved by a state agency. NEPA establishes national policy, goals, and procedures for protecting, restoring, and enhancing environmental quality.

Both laws seek to avoid adverse impacts on the environment by mandating careful consideration of the potential impacts on any development assisted with federal funds or approved by a state agency. In order to avoid delays, adding significantly to project costs, or even prevent a project from being carried out, all applicants applying to the funding programs listed in this publication must take potential environmental impacts into account when planning a project. As a result, local officials will be able to make more informed decisions related to the potential environmental consequences of projects and the actions that will be required to mitigate those consequences. Therefore, environmental resources that may be impacted by the proposed project must first be identified by completing the Uniform Environmental Checklist and then evaluated in the preliminary engineering report (PER). Depending on the funding source, or if the project changes from what was proposed in the PER, additional environmental actions may be required at later stages of the project.

### **ENVIRONMENTAL REQUIREMENTS WHEN COMPLETING THE PER**

Environmental impacts are first analyzed when preliminary engineering is completed for a proposed project. The first step is to complete the Uniform Environmental Checklist, which then becomes the basis for the analysis that is included in the PER. The checklist is used to identify environmental resources present in the project area and any potential impacts that the project may have on them. Once the checklist has been completed, the engineer must include in the PER an analysis of the impacts that the project would have on the environment, and the appropriate short and long-term measures to be used to mitigate any of the potentially adverse impacts.

#### **Step 1 – Complete the Uniform Environmental Checklist**

The Uniform Environmental Checklist can be completed through an information search and by visiting the area where the project may take place. The checklist does not have to be completed by an engineer; a local official, grant writer or other non-engineering person may perform the actions necessary to complete the checklist if they have the ability to do so. **However, the project engineer is required to sign the Uniform Environmental Checklist, certifying that he or she has reviewed the checklist and the information presented, and that it accurately identifies the environmental resources in the area and the potential impacts that the project could have on those resources.**

Since the environmental analysis within the PER is based upon the information obtained through the completion of the checklist, it is ultimately the responsibility of the engineer preparing the PER to ensure that the environmental checklist has been properly completed. If the checklist is not completed by the project engineer, it is strongly recommended that the person completing the checklist consult with the engineer to ensure that all needed information is obtained. If the project engineer cannot reasonably ensure that all potential environmental impacts have been adequately identified, steps should be taken before completing the PER to ensure that the information is obtained.

The checklist includes a listing of subject areas relating to the physical and human environment that must be analyzed. The impact on each of the subject areas must be determined. The impact on a subject area could be directly from the proposed infrastructure facilities project, or conversely, the potential impact on the project from the subject area. For example, in the instance of the potential impacts of floodplains in relation to a sewage lagoon project, would the lagoon be placed such that floodwater could be diverted, thus changing the areas that would be flooded? Or, would the lagoon be placed such that floodwaters could erode the lagoon's dikes?

Five categories are listed on the form:

1. **N** - No Impact Anticipated or Not Applicable to This Project;

2. **B** - Potentially Beneficial Impact;
3. **A** - Potentially Adverse Impact;
4. **P** - Agency Approval or Permits Required; and
5. **M** - Mitigation Actions Required.

A space is provided next to each subject area that is to be identified and is filled in using at least one of the letters found in the key at the top of each page. The key represents the five categories listed above. In most cases, only a brief response to each of the categories is required in order to indicate whether the resource is present and whether it may be impacted. However, if impacts on a subject area are anticipated, they need to be described. In some cases, it may be appropriate to indicate more than one category. For example, if a potentially adverse impact has been identified, an agency approval or permit may also be required. Responses should be provided in the "comments" section of this form. When completed on a computer, the form can be expanded to accommodate lengthy comments.

Sources that were consulted to assess the potential impact on or from the project for each subject area must be identified. The source of information for determining whether there is an impact should also be noted in the "comments" section. Sources of information can include studies, plans, documents (such as USGS topographic quadrangle, FEMA floodplain map, wetlands inventory map, and USGS soil identification map), or persons, organizations, or agencies contacted. Web resources for topographical maps can be found at [www.topozone.com](http://www.topozone.com), and street maps at [www.mapquest.com](http://www.mapquest.com).

Environmental information and assistance in preparing the environmental checklist can be obtained from a wide variety of sources. Should the applicant have questions regarding whom to contact regarding additional information pertaining to a particular subject area, you may call the Montana Environmental Quality Council for assistance [telephone (406) 444-3742].

## **Step 2 – Analyze Potential Environmental Impacts in the PER**

Once the checklist has been completed, the engineer must include in the PER an analysis of the impacts that the project would have on the environment, and the appropriate short and long-term measures to be used to mitigate any of the potentially adverse impacts. The environmental resources present in the project area and the impact that the project may have on them are generally discussed in Section II. Problem Definition. Unique impacts by a particular alternative are also discussed in Section IV. Alternatives Analysis. Depending on the potential impact that an alternative may have on the environment, letters may need to be sent to specific agencies in order to obtain additional information. **The potential impacts that an alternative may have on the environment is required to be taken into account as part of the evaluation and selection of the preferred alternative.**

Once the selected alternative has been identified, a more detailed analysis is performed along with discussion about how potentially adverse impacts would be mitigated. At this time, several state and federal agencies are required to be contacted regarding the specific proposal in order to identify any concerns that they may have about the proposed project. The comments provided by these agencies may provide additional, or more detailed, information to the engineer about the environmental resources present that may be potentially impacted and specific measures for mitigating those impacts. Detailed studies, such as wetland delineation, are not required during the preliminary engineering phase. These more detailed studies are performed later as required, probably during the final design of the project.

At a minimum, each of the state and federal agencies listed below must be provided the following information about the selected alternative, and requested to provide comment on the proposed project:

1. a map of the area surrounding the project that identifies the project site, adjacent streets, and other identifiable objects,
2. line drawings or sketches of the project, and
3. a narrative description of the project's elements and its location.

The state and federal agencies that must be sent information include:

1. Montana Department of Environmental Quality,

2. Montana Department of Fish, Wildlife and Parks,
3. Montana Department of Natural Resources and Conservation,
4. U.S. Fish and Wildlife Service,
5. U.S. Army Corps of Engineers, and
6. Montana Historical Society (State Historic Preservation Officer) - In addition to the information identified above, point out any known historic/archeological resources within the project area that may have any local or state significance, and provide any known historic/archeological survey that has been conducted for the project area.

**As applicable, the information listed above must also be provided to any other state or federal agency, along with a request to provide comment on the proposed project, if a particular environmental resource might potentially be impacted.** A listing of various state and federal agencies that can provide information concerning environmental resources is provided on the next page. On the following page is a summary of sources for different types of information regarding environmental resources.

#### **Summary of Environmental Requirements When Completing the PER**

1. Complete the Uniform Environmental Checklist.
2. Generally discuss the environmental resources present in the project area and the impact that the project may have on them in Section II. Problem Definition.
3. Discuss any unique impacts by a particular alternative in Section IV. Alternatives Analysis. Request information from specific State or Federal agencies if needed.
4. Take into account environmental resources as part of the evaluation and selection of the preferred alternative.
5. Perform a more detailed environmental analysis, along with discussion about how potentially adverse impacts would be mitigated, once the selected alternative has been selected. Request comments from required State and Federal agencies at this time.

**Note: a separate environmental report is not required for RD.**

## **POTENTIAL AGENCY CONTACTS FOR ENVIRONMENTAL RESOURCES**

### **State Agencies:**

DOC	Department of Commerce, Census and Economic Information Center, 301 S. Park Ave., PO Box 200505, Helena, MT 59620-0505. Phone (406) 841-2739
DEQ	Department of Environmental Quality, Permitting and Compliance Division, 1520 E. 6th Ave., PO Box 200901, Helena, MT 59620-0901. Phone (406) 444-4323.
FWP	Department of Fish, Wildlife and Parks, 1420 E. 6th, Helena, MT 59620. Phone (406) 444-2535.
DOLI	Department of Labor and Industry, 1327 Lockey, PO Box 1728, Helena, MT 59624. Phone (406) 444-9091.
DNRC	Department of Natural Resources and Conservation, 1625 11 <sup>th</sup> Ave., PO Box 201601, Helena, MT 59620-1601. Phone (406) 444-2074
MDT	Department of Transportation, 2701 Prospect Ave., PO Box 201001, Helena, MT 59620. Phone (406) 444-6200.
SHPO	State Historic Preservation Office, 1410 8th Ave., PO Box 201202, Helena, MT 59620. Phone (406) 444-7715.

### **Federal Agencies:**

BIA	Bureau of Indian Affairs, 316 N. 26 <sup>th</sup> St., Billings, MT 59101. Phone (406) 247-7970.
BLM	Bureau of Land Management, PO Box 30157, Billings, MT 59107. Phone (406) 538-7461.
FAA	Federal Aviation Administration, 2725 Skyway Dr., Helena, MT 59602. Phone (406) 449-5271.
NPS	National Park Service, PO Box 25287, Denver, CO 80225-0287. Phone (303) 969-2850.
NRCS	Natural Resource Conservation Service, 10 E. Babcock St., Bozeman, MT 59771. Phone (406) 587-6811.
OSHA	Occupational Safety and Health Administration, 2900 4 <sup>th</sup> Ave. N., Billings, MT 59101. Phone (800) 488-7087.
USACE	U.S. Army Corps of Engineers, 10 W. 15 <sup>th</sup> St., Suite 2200, Helena, MT 59624. Phone (406) 441-1375.
USDOT	U.S. Department of Transportation, 2880 Skyway Dr., Helena, MT 59602. Phone (406) 449-5303.
USEPA	U.S. Environmental Protection Agency, Montana Office, Federal Building, Drawer 10096, Helena, MT 59626. Phone (406) 441-1123.
USFWS	U.S. Fish and Wildlife Service, Ecological Services, 585 Shepherd Way, Helena, MT 59601. Phone (406) 449-5225.
USFS	U.S. Forest Service, Region 1, PO Box 7669, Missoula, MT 59807. Phone (406) 329-3150.

### **SUMMARY OF SOURCES FOR ENVIRONMENTAL INFORMATION**

<b>Environmental Resources</b>	<b>Contact</b>	<b>Type of Information Available</b>
General Land Use	Local planning agencies	Zoning, land use classifications
Important Farmland	NRCS	Soil surveys
Formally classified lands	DNRC, FWP, NPS, BLM, USFS, BIA, USACE	State lands, monuments, landmarks, wild and scenic rivers, wilderness areas, State or national parks, reservations, recreational areas
Floodplains	DNRC, County Disaster Coordinator	Floodplain information
Wetlands	NRCS, USACE, FWP, USFWS	Soil surveys, National Wetland Inventory maps, and Section 404 issues
Cultural resources	SHPO, THPO	Historic and archaeological sites. Visually sensitive areas
Biological resources	USFWS, FWP	Threatened and endangered species, critical habitats, species of special concern
Water quality	USEPA, DEQ, DNRC, FWP	Discharge permits, water appropriation permits, sole source aquifers, nondegradation, underground storage tanks
Socio-Economic / Environmental Justice	Census Bureau, DEQ, USEPA, Local civic organizations	Economic data, location of minority and low-income populations
Air quality	DEQ	State Implementation Plan
Transportation	FAA, MDT, USDOT	Airports, highway safety
Noise	DOT, DOLI, USEPA, OSHA, FAA	Noise levels/restrictions

## UNIFORM ENVIRONMENTAL CHECKLIST

As the engineer that prepared the preliminary engineering report, I \_\_\_\_\_, (print name of engineer), have reviewed the information presented in this checklist and believe that it accurately identifies the environmental resources in the area and the potential impacts that the project could have on those resources. In addition, the required state and federal agencies were provided with the required information about the project and requested to provide comments on the proposed public facility project. Their comments have been incorporated into and attached to the Preliminary Engineering Report.

Engineer's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**Key Letter:** **N** – No Impact/Not Applicable    **B** – Potentially Beneficial    **A** – Potentially Adverse  
**P** – Approval/Permits Required    **M** – Mitigation Required

### PHYSICAL ENVIRONMENT

<u>Key</u>  	<p><b>1. Soil Suitability, Topographic and/or Geologic Constraints (e.g., soil slump, steep slopes, subsidence, seismic activity)</b></p> <p><i>Comments and Source of Information:</i></p>
<u>Key</u>  	<p><b>2. Hazardous Facilities (e.g., power lines, hazardous waste sites, acceptable distance from explosive and flammable hazards including chemical/petrochemical storage tanks, underground fuel storage tanks, and related facilities such as natural gas storage facilities &amp; propane storage tanks)</b></p> <p><i>Comments and Source of Information:</i></p>
<u>Key</u>  	<p><b>3. Effects of Project on Surrounding Air Quality or Any Kind of Effects of Existing Air Quality on Project (e.g., dust, odors, emissions)</b></p> <p><i>Comments and Source of Information:</i></p>
<u>Key</u>  	<p><b>4. Groundwater Resources &amp; Aquifers (e.g., quantity, quality, distribution, depth to groundwater, sole source aquifers)</b></p> <p><i>Comments and Source of Information:</i></p>
<u>Key</u>  	<p><b>5. Surface Water/Water Quality, Quantity &amp; Distribution (e.g., streams, lakes, storm runoff, irrigation systems, canals)</b></p> <p><i>Comments and Source of Information:</i></p>
<u>Key</u>  	<p><b>6. Floodplains &amp; Floodplain Management (Identify any floodplains within one mile of the boundary of the project.)</b></p> <p><i>Comments and Source of Information:</i></p>
<u>Key</u>  	<p><b>7. Wetlands Protection (Identify any wetlands within one mile of the boundary of the project.)</b></p> <p><i>Comments and Source of Information:</i></p>

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<u>Key</u> <hr/>	<b>8. Agricultural Lands, Production, &amp; Farmland Protection (e.g., grazing, forestry, cropland, prime or unique agricultural lands) (Identify any prime or important farm ground or forest lands within one mile of the boundary of the project.)</b>  <i>Comments and Source of Information:</i>
<u>Key</u> <hr/>	<b>9. Vegetation &amp; Wildlife Species &amp; Habitats, Including Fish (e.g., terrestrial, avian and aquatic life and habitats)</b>  <i>Comments and Source of Information:</i>
<u>Key</u> <hr/>	<b>10. Unique, Endangered, Fragile, or Limited Environmental Resources, Including Endangered Species (e.g., plants, fish or wildlife)</b>  <i>Comments and Source of Information:</i>
<u>Key</u> <hr/>	<b>11. Unique Natural Features (e.g., geologic features)</b>  <i>Comments and Source of Information:</i>
<u>Key</u> <hr/>	<b>12. Access to, and Quality of, Recreational &amp; Wilderness Activities, Public Lands and Waterways, and Public Open Space</b>  <i>Comments and Source of Information:</i>
<b>HUMAN POPULATION</b>	
<u>Key</u> <hr/>	<b>1. Visual Quality – Coherence, Diversity, Compatibility of Use and Scale, Aesthetics</b>  <i>Comments and Source of Information:</i>
<u>Key</u> <hr/>	<b>2. Nuisances (e.g., glare, fumes)</b>  <i>Comments and Source of Information:</i>
<u>Key</u> <hr/>	<b>3. Noise -- suitable separation between noise sensitive activities (such as residential areas) and major noise sources (aircraft, highways &amp; railroads)</b>  <i>Comments and Source of Information:</i>
<u>Key</u> <hr/>	<b>4. Historic Properties, Cultural, and Archaeological Resources</b>  <i>Comments and Source of Information:</i>



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<b>Key</b>		<b>5.</b>	<b>Changes in Demographic (population) Characteristics (e.g., quantity, distribution, density)</b>
			<i>Comments and Source of Information:</i>
<b>Key</b>		<b>6.</b>	<b>General Housing Conditions - Quality, Quantity, Affordability</b>
			<i>Comments and Source of Information:</i>
<b>Key</b>		<b>7.</b>	<b>Displacement or Relocation of Businesses or Residents</b>
			<i>Comments and Source of Information:</i>
<b>Key</b>		<b>8.</b>	<b>Public Health and Safety</b>
			<i>Comments and Source of Information:</i>
<b>Key</b>		<b>9.</b>	<b>Lead Based Paint and/or Asbestos</b>
			<i>Comments and Source of Information:</i>
<b>Key</b>		<b>10.</b>	<b>Local Employment &amp; Income Patterns - Quantity and Distribution of Employment, Economic Impact</b>
			<i>Comments and Source of Information:</i>
<b>Key</b>		<b>11.</b>	<b>Local &amp; State Tax Base &amp; Revenues</b>
			<i>Comments and Source of Information:</i>
<b>Key</b>		<b>12.</b>	<b>Educational Facilities - Schools, Colleges, Universities</b>
			<i>Comments and Source of Information:</i>
<b>Key</b>		<b>13.</b>	<b>Commercial and Industrial Facilities - Production &amp; Activity, Growth or Decline</b>
			<i>Comments and Source of Information:</i>
<b>Key</b>		<b>14.</b>	<b>Health Care – Medical Services</b>
			<i>Comments and Source of Information:</i>
<b>Key</b>		<b>15.</b>	<b>Social Services – Governmental Services (e.g., demand on)</b>
			<i>Comments and Source of Information:</i>

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<b>Key</b>		<b>16.</b>	<b>Social Structures &amp; Mores (Standards of Social Conduct/Social Conventions)</b>
			<i>Comments and Source of Information:</i>
<b>Key</b>		<b>17.</b>	<b>Land Use Compatibility (e.g., growth, land use change, development activity, adjacent land uses and potential conflicts)</b>
			<i>Comments and Source of Information:</i>
<b>Key</b>		<b>18.</b>	<b>Energy Resources - Consumption and Conservation</b>
			<i>Comments and Source of Information:</i>
<b>Key</b>		<b>19.</b>	<b>Solid Waste Management</b>
			<i>Comments and Source of Information:</i>
<b>Key</b>		<b>20.</b>	<b>Wastewater Treatment - Sewage System</b>
			<i>Comments and Source of Information:</i>
<b>Key</b>		<b>21.</b>	<b>Storm Water – Surface Drainage</b>
			<i>Comments and Source of Information:</i>
<b>Key</b>		<b>22.</b>	<b>Community Water Supply</b>
			<i>Comments and Source of Information:</i>
<b>Key</b>		<b>23.</b>	<b>Public Safety – Police</b>
			<i>Comments and Source of Information:</i>
<b>Key</b>		<b>24.</b>	<b>Fire Protection – Hazards</b>
			<i>Comments and Source of Information:</i>
<b>Key</b>		<b>25.</b>	<b>Emergency Medical Services</b>
			<i>Comments and Source of Information:</i>

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<b>Key</b>			<b>26.</b>	<b>Parks, Playgrounds, &amp; Open Space</b>
				<i>Comments and Source of Information:</i>
<b>Key</b>			<b>27.</b>	<b>Cultural Facilities, Cultural Uniqueness &amp; Diversity</b>
				<i>Comments and Source of Information:</i>
<b>Key</b>			<b>28.</b>	<b>Transportation Networks and Traffic Flow Conflicts (e.g., rail; auto including local traffic; airport runway clear zones - avoidance of incompatible land use in airport runway clear zones)</b>
				<i>Comments and Source of Information:</i>
<b>Key</b>			<b>29.</b>	<b>Consistency with Local Ordinances, Resolutions, or Plans (e.g., conformance with local comprehensive plans, zoning, or capital improvement plans)</b>
				<i>Comments and Source of Information:</i>
<b>Key</b>			<b>30.</b>	<b>Is There a Regulatory Action on Private Property Rights as a Result of this Project? (consider options that reduce, minimize, or eliminate the regulation of private property rights.)</b>
				<i>Comments and Source of Information:</i>

## **ENVIRONMENTAL REQUIREMENTS AFTER THE PER HAS BEEN COMPLETED**

Depending on the source of funding, once the preliminary engineering has been completed and the environmental impacts have been adequately taken into account during that process, projects may possibly have no additional environmental requirements, other than obtaining appropriate permits. However, additional steps may be required if the project changes from what was proposed in the PER, or whenever particular funding programs are involved. For projects that anticipate funding from the Community Development Block Grant Program, State Revolving Loan Fund Programs, or the USDA Rural Development, Community Facility Programs, an environmental assessment must be completed. Depending on the outcome of the environmental assessment, either a Finding of No Significant Impact (FONSI) will need to be published or an Environmental Impact Statement (EIS) will be required. Assuming that there are no significant impacts, the funding agency will prepare the FONSI and direct the applicant to publish it. The following chart provides specific requirements for publishing the FONSI depending on the program funding the project.

	<b>CDBG</b>	<b>DNRC</b>	<b>RD</b>	<b>SRF</b>	<b>TSEP</b>
Notice of Availability of EA	Not Required	Not Required	Publish once; 30-day comment period required**	Not Required	Not Required
Notice of FONSI	Publish once; two consecutive 15-day comment periods *	Provide copy of FONSI.	Publish once; no comment period required	Publish once 30-day comment period required	Provide copy of FONSI

\* CDBG requires a combined notice of Finding of No Significant Impact and Notice to Public of Request for Release of Funds (FONSI/NOI/RROF) to be published once. Following a 15-day local comment period, the RROF is submitted to CDBG initiating an additional 15-day state comment period.

\*\*RD requires a Notice of Availability of the Environmental Assessment to be published once, which allows for a 30-day comment period prior to publishing the FONSI.

If two or more agencies provide funding for a project, a combined publication notice may be used such as the following:

### **COMBINED NOTICE OF FINDING OF NO SIGNIFICANT ENVIRONMENTAL IMPACT and NOTICE TO PUBLIC OF REQUEST FOR RELEASE OF FUNDS (FONSI/NOI/RROF)**

**PUBLICATION DATE:** January 7<sup>th</sup>, 2004

Town of Anywhere  
100 1<sup>st</sup> Street  
Anywhere, MT 59000 Telephone: (406) 222-3333

TO ALL INTERESTED AGENCIES, GROUPS AND PERSONS:

*The USDA Rural Development office and the Montana Community Development Block Grant Program are considering an application for financial assistance to the Town of Anywhere. The specific elements of this proposed action are construction of a new wastewater treatment facility to include primary and secondary treatment cells followed by infiltration/percolation basin effluent disposal. Various aspects of the project include main wastewater lift station rehabilitation, installation of 1.5 miles of 6-inch forcemain, dike and earthwork construction, an access road and security fencing.*

On or about January 23<sup>rd</sup>, 2004, the above-named the Town of Anywhere will also request the Montana Department of Commerce (DOC) to release Community Development Block Grant (CDBG) funds provided under Title I of the Housing and Community Development Act of 1974, as amended (PL 93-383) for the following project: the Town of Anywhere, CDBG Contract #MT-CDBG-03PF-01.

### Finding of No Significant Impact

It has been determined that such request for release of funds will not constitute an action significantly affecting the quality of the human environment and accordingly the above named the Town of Anywhere has decided not to prepare an Environmental Impact Statement under the National Environmental Policy Act of 1969 (PL 91-190).

The reasons for the decision not to prepare such Statement are as follows:

1. A consolidated environmental assessment, which is on file at the Town of Anywhere's office in Anywhere, Montana itemizes the physical environment and human population of the project area.
2. The potential environmental impacts have been assessed by USDA Rural Development determining that the proposed action will not significantly affect the quality of the human environment.
3. The proposed action is not located within a minimum required distance of any delineated 100-year flood plain.

**An Environmental Review Record documenting review of all project activities in respect to impacts on the environment has been made by the above-named Town of Anywhere. This Environmental Review Record is on file at the Town of Anywhere, 100 1<sup>st</sup> Street, Anywhere, MT 59000 and is available for public examination and copying upon request between the hours of 9:00 a.m. and 3:00 p.m. Requests to review the RD environmental assessment upon which this determination is based should be directed to USDA Rural Development, 900 Technology Blvd., Suite B, PO Box 850, Bozeman, MT 59715-0850.**

**No further environmental review of such project is proposed to be conducted prior to the request for release of CDBG project funds.**

### Public Comments on Findings

All interested agencies, groups and persons disagreeing with this decision are invited to submit written comments for consideration by the Town of Anywhere to the office of the undersigned, or to USDA Rural Development, 900 Technology Blvd., Suite B, PO Box 850, Bozeman, MT 59715-0850 on or before January 23<sup>rd</sup>, 2004. All such comments so received will be considered and the Town of Anywhere will not request release of funds or take any administrative action on the project prior to the date specified in the preceding sentence.

### State Release of Funds

The Town of Anywhere will undertake the project described above with CDBG funds provided by DOC under Title I of the Housing and Community Development Act of 1974, as amended. The Town of Anywhere is certifying to DOC that Bill Smith, in his official capacity as Mayor, consents to accept the jurisdiction of the Federal courts if an action is brought to enforce responsibilities in relation to environmental reviews, decision-making, and action; and that these responsibilities have been satisfied. The legal effect on the certification is that upon approval, the Town of Anywhere may use the CDBG funds and DOC will have satisfied its responsibilities under the National Environmental Policy Act of 1969.

### Objections to State Release of Funds

DOC will accept an objection to its approval only if it is on one of the following bases:

1. that the certification was not in fact executed by the certifying officer or other officer of the applicant approved by DOC;
2. that the applicant's environmental review record for the project indicates omission of a required decision, finding, or step applicable to the project in the environmental review process;
3. the grant recipient has committed funds or incurred costs not authorized by 24 CFR Part 58 before approval of a release of funds by DOC; or

4. another Federal agency acting pursuant to 40 CFR Part 1504 has submitted a written finding that the project is unsatisfactory from the standpoint of environmental design.

Objections must be prepared and submitted in accordance with the required procedures (24 CFR Part 58) and may be addressed to: Department of Commerce, Community Development Division, 301 S. Park Ave., PO Box 200523, Helena, MT 59620-0523.

Objections to the release of funds on bases other than those stated above will not be considered by DOC. No objection received after February 9<sup>th</sup>, 2004 will be considered by DOC.

**Bill Smith**

Name of Chief Elected Official

**January 7<sup>th</sup>, 2004**

Date

**100 1<sup>st</sup> Street**

Address

**Anywhere, Big Sky, MT 59000**

City, County, State, Zip Code